PLLRC 23-3

PB195187

# REVENUE SHARING AND PAYMENTS IN LIEU OF TAXES ON THE PUBLIC LANDS

## Volume III
## Appendix 3 and Case Studies (1)

EBS Management Consultants Incorporated
Washington, D.C.

July 1968
(Republished with revisions November 1970)

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Springfield, Va. 22151

Prepared under contract with the Public Land Law Review Commission.

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This publication constitutes only one of a number of sources of information utilized by the Commission in the conduct of its public land study program.

575

**STANDARD TITLE PAGE FOR TECHNICAL REPORTS**

1. Report No. PLLRC-23-3

2. Govt. Accession No.

3. Recipient's Catalog No.

4. Title and Subtitle
Revenue Sharing and Payments in Lieu of Taxes on the Public Lands. Volume III. Appendix 3 and Case Studies (1)

5. Report Date
11/70

6. Performing Organization Code

7. Author(s)
EBS Management Consultants

8. Performing Organization Rept. No. 23

9. Performing Organization Name and Address
Public Land Law Review Commission
1730 K St., N.W.
Washington, D.C. 20006

10. Project/Task/Work Unit No.

11. Contract/Grant No.

12. Sponsoring Agency Name and Address
same as 9 above

13. Type of Report & Period Covered
interim

14. Sponsoring Agency Code

15. Supplementary Notes

16. Abstracts

The third volume in a four-volume study which analyzes 40 different Federal statutes providing for compensation to states and/or local governmental units through either revenue sharing or in lieu tax payments. Revenue sharing ranges from 5 to 90 percent of the receipts received. Also included are analyses of laws dealing with state-owned lands, as well as those of Canada and Australia. Intensive examination was also made of 5 states and 50 counties in 19 states to assess the impact of Federal land ownership. (PLLRC abstract)
~~(supplied abstract~~)

17. Key Words and Document Analysis. 17a. Descriptors

revenue sharing, payments in lieu of taxes

17b. Identifiers/Open-Ended Terms

17c. COSATI Field/Group

18. Distribution Statement
available through NTIS

19. Security Class (This Report)
UNCLASSIFIED

20. Security Class (This Page)
UNCLASSIFIED

21. No. of Pages
~~342~~ 575

22. Price

## I. METHODS EMPLOYED IN THE SELECTION AND CONDUCT OF CASE STUDIES

### A. Introduction

The purpose of this chapter is to familiarize the reader with and document the manner in which the selection of the five case states and the 50 case counties[1] was made. In addition a description of the methods, procedures and techniques employed in the conduct of the case studies is presented.

The case studies were designed to investigate the influence of major public land ownership and use upon the state and local governmental units selected for intensive study. Also included in these studies were certain aspects of the legal study recognized as needing personal inquiry and on-location research.

### B. Case State and Case County Selection

1. Selection of Case States: The five case states were selected by the PLLRC prior to the selection of the 50 case counties. Three states, California, Colorado and Washington, were selected as being representative of the Federal land intensive (public land) states. Two states, Minnesota and New Hampshire, were selected as being representative of those states with relatively large concentrations of Federal land but which are not so-called Public Land States.

2. Selection of Case Counties: Of the 50 counties to be studied intensively, the following geographic areas were to be considered:

a. Ten counties in Colorado

b. Three counties in New Hampshire

c. Five counties each from California, Minnesota and Washington

d. Twenty-two counties located in states other than the five case states

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[1] A list of the five case states and 50 case counties is contained in the figure following this chapter.

The method used in the selection of the 50 case counties was as follows:

a. First, five Federal land intensive counties were selected for a pilot study to identify the availability of the needed data for the study period (1957-1966). The selection of the five counties for pilot study was made on the basis of a set criteria under which they were (1) to be from among states in the East, Midwest and Far West, (2) to have a variety of PILT and RS programs, and (3) to be Federal land intense. Within the framework of this pilot study, counties were chosen in consultation with and approval of the PLLRC. The five approved pilot studies, Fresno, California; Montrose, Colorado; Natrona, Wyoming; Itaska, Minnesota; and Coos, New Hampshire, were also utilized for a further development of the method to be employed in the conduct of the case studies.

b. Concurrent with the initiation of the pilot study, a questionnaire was prepared and mailed to 315 Federal land intense counties located in the 48 contiguous states. In the absence of the opportunity for a statistical stratification, care was taken in the selection to obtain a broad cross-section of results and to include a full representation of all predictable situations. Included in the selection of the counties to which questionnaires were sent were those recommended by the PLLRC Advisory Council and Governors' Representatives. The purpose of the questionnaire was to (1) ascertain the extent of Federal land holdings by type in these counties, (2) ascertain if required data could be furnished by responsible officials, and (3) ascertain if these officials would be prepared to cooperate in the data collection.

c. Based upon the results in a. and b. above, the selection of the case counties was made in consultation with the Commission staff.

## C. Conduct of the Field Studies

1. Preparation for Field Studies: Nearly one-half of the questionnaires mentioned in b. above were returned with usable, although mostly incomplete, information. Some of the information provided in these questionnaires was used as input to the respective field studies. (These questionnaires bore signatures of county clerks, auditors, board chairmen and county treasurers.)

In addition to the data obtained through the questionnaires, the main offices of all Federal PILT and RS administering agencies were contacted and payment and acreage data for the 50 case counties and five case states were requested. A socioeconomic profile of the 50 case counties and five case states was compiled based upon the questionnaires, the Federal agency PILT and RS data and Census of Governments information.

Finally, a set of table formats for the collection and recording of the needed data was prepared. The prime purpose of these formats was to insure uniformity and compatibility in data.

2. Field Work: Prior to the initiation of personal contacts, key officials located in the 50 case counties and five state capitals were contacted by mail and telephone. Table forms were sent out to permit the early identification of needed data and their collection. Subsequently, these officials were contacted by that member of the professional staff who had been assigned to the particular state or county, and meetings were arranged with such key officials as the county treasurer, auditor, commissioners, and the county tax assessor. In addition to contact with those officials at the county level, contacts were established with their counterparts at the state level. Various state tax commissioners and special advisory councils were also contacted, and valuable data from these were obtained. Additionally, contacts were made with local, state and regional Federal land administrators from each of the agencies having responsibility for the Federal lands in each of the counties and states. During the approximately five months of field studies, some 600 interviews and information collection calls were made.

D. Data in Case Studies

1. Tables No. C-1 and C-2: These data reflect the financial flows for a county or state. They were obtained in the following manner:

a. When official county records were available covering all levels of government in the county, these data were used.

b. Where such data were not available at the county level, they were obtained from each unit of government within the county and combined to reflect the complete flow of funds for all units of government within the county.

c. Where neither local nor county data provide a complete picture, state sources were used in addition to the local data. The division between real and personal property tax was made in some cases on an allocation basis, as specific records were not available. As a result of such allocations, some Tables No. C-1 show the same rate of increase or decrease during the 1957-1966 period in the first three columns. As mentioned, for most counties the totals reflected in these tables are those for the entire county, including all units of government, and are not comparable with most available published reports including the Census of Government conducted by the Bureau of the Census.

2. Tables No. C-1a: As indicated in the tables these data were estimated using the Compendium of State Government Finances (1957-1966), and Sales Management Magazine (1958-1967). Columns 1-4 were derived from the Compendium as follows:

a. Column 1: derived by applying the ratio of the retail sales in the county and the retail sales of the state to the state sales tax collection.

b. Column 2: derived by applying the ratio of county effective buying income (EBI) and the state EBI to the state income tax collection.

c. Column 3: was derived by applying the ratio of county population and state population to other state tax collection.

d. Column 4: calculated by the addition of columns 1, 2 and 3. Corporate income taxes were excluded in order to reflect personal taxes only.

e. Columns 5 and 6: derived by applying the county EBI and population data in Sales Management Magazine to the total of the state taxes collected in the county as in Column 4.

f. Columns 7 and 8: derived by applying the same county EBI and population figures in e. above to the total county property taxes shown in Column 3, Table No. C-1.

g. Columns 9 and 10: calculated by the addition of column 5 and 7 and column 6 and 8 respectively.

3. Table No. C-3: Data for this table were obtained from county records furnished mostly by county tax assessors. For some cases, where county records were incomplete or lacked sufficient detail (especially for earlier years where state laws did not require a detailed allocation), state reports were used to complete the table. Where neither local nor state reports provided the necessary data directly, estimates for allocation to specific categories were made.

A weighted average tax rate for the county was calculated by applying the assessed value in Column 8 of Table No. C-3 to the total property tax in Column 3 of Table No. C-1. The rate of assessed value to market or actual value, as shown at the bottom of Table No. C-3, reflects the practice of the dominant fiscal unit, mostly the county government itself.

4. Table No. C-4: This table reflects the PILT and RS payments attributable to the county as distinguished from the actual payment received. The difference in the amounts received by the county or its units and those attributable to the county results from the practice of many states not redistributing the full Federal payment.[1]

Payment and acreage data are presented as supplied by the cognizant Federal agencies' headquarters in connection with the relevant payment data.

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[1] Case state digests do not contain Tables No. C-4 and C-4a since they relate to case county digests exclusively.

Any additions or modifications thereto are the result of data compiled from a secondary source (example: 1966 Taylor Grazing, Section 15, footnoted acreage based upon BLM Statistics, Congressional Districts and Counties, 1966) or allocations made in primary source data so as to provide acreage data wherever such could be calculated, estimated or allocated in the absence of a specific input from the relevant agency.

5. Table No. C-5: Data supplied by the Bureau of Public Roads showing total Federal highway aid to county and total Federal highway aid attributable to the presence of public lands are shown in this table. Only 13 states, categorized as "Public Land States", received aid attributable to the presence of public land. Consequently, this table has been prepared only for those states qualifying for such payments. At the county level, the figures in this table reflect the allocation of the state's receipts appropriated by the state to projects in that county. Hence, the amounts reflected for any county bear no relationship to the public land in that particular county.

6. Tables No. C-6, C-7 and C-7a: Estimates of the data in these tables were based upon information supplied by agencies' field officers. Where agency jurisdictional limits extended beyond county or state lines and, as a result, their records lacked county breakdowns, allocations of the appropriate figures were made, mostly based upon acreage and specific knowledge of the relevant officials. Apportionment of Federal resource expenditures by expenditure categories in Table No. C-7a was made either by the Federal agencies' field officers or in conjunction with them.

7. Table No. C-8: This table, containing estimates of the potential property tax which might be obtained from the Federal lands on which there were current PILT and RS programs, if they were in private ownership, was derived as follows:

a. The cognizant agencies' field officers with the aid of the county (or state) tax assessor grouped the Federal land into land classes similar to those in effect for comparable private land.

b. In discussions with county assessors and/or other officials, an assessed value for each class of land was derived; in most cases the comparable lands were used for the fairly broad categories.

c. The 1966 rural tax rate (derived by deducting municipal levies from the weighted average county tax rate shown in Table No. C-3 for 1966) was then applied to the estimate of assessed value to obtain estimated potential tax.

d. While generally the present land uses and the present land condition served as the basis for the assessed value estimate, wherever possible, higher uses of the land or parts thereof were taken into consideration, provided a demonstrated demand for higher uses, e.g. homesites on forest land,was ascertained.

8. Table No. C-9: The information contained in this table is based upon data received from the Forest Service's field and main offices. The table shows the amount of revenue "lost" by the county (or state) due to the Forest Service's practice of sharing stumpage proceeds which were reduced by the estimated cost of reforestation, as authorized under the Knutson-Vandenberg Act of 1930. This table was prepared as follows:

a. "Net Receipts" (Column 3) were derived by multiplying the "Net Payment to Local Government" (Column 4) by a factor of 4 (reflecting the 25% Forest Service RS ratio).

b. "Gross Receipts" (Column 1) were derived by adding "K-V Fund Collections" (Column 2) to "Net Receipts."

c. "Revenue Share Lost" (Column 5) was derived by applying the 25% Forest Service RS ratio to the "K-V Fund Collections."

9. Table No. C-10: This table, showing the relationship of PL 815 and PL 874 to the "Total School Budget" (Column 1), was completed by applying HEW published data on aid provided under each of these two laws to the expenditures for education in Column 1 of Table No. C-2. These payments are not related to Federal land in the county, except as under the provisions of Section 2 of PL 874 which provides for a limited grant payment based upon Federal land transferred since 1938. This section, to be applicable, requires that the assessed valuation of acquired land represent 10% or more of the assessed value of all realty in the school district. Entitlements under various sections of the Acts are lumped, thus making it impossible to identify which counties qualified for payments under Section 2 of PL 874. The data in Table No. C-10 were provided to meet a specific contractual requirement and have not been subjected to analysis.

## E. Other Data in Case Studies - Summaries

1. Units of Government: All case county digests contain information relating to the number and types of units of government located within a state or county. Because such data were not readily available for all of the studied counties, it was decided to use a uniform source for this information, i.e. Governmental Organization, Census of Governments 1962, Volume I. Wherever possible, the data in this source was checked against data published by states and counties. It was recognized, however, that in many states and counties consolidations have taken place since the time these data were published and, therefore, the information contained in the study digests may not be up to date.

2. Vital Statistics: The sources for the data contained in this section are identified in each digest. It should be pointed out, however, that in county digests employment figures reflect only such employment as is covered

by the Social Security Program. The corresponding data in each state digest covers all nonfarm employment. Public school enrollment (K-12) refers to the enrollment reported to the data source and includes all pupils from kindergarten (K) to the twelfth grade.

3. The Land: An effort has been made to identify the total land area in each state and county, the total Federal land holdings, irrespective of the type of Federal ownership, and at least those Federal land holdings which were subject to PILT and/or RS programs as of 1966. In state digests the latter category of lands has been subcategorized to identify those lands which are defined in Section 10, PL 88-606.

4. Bonded Indebtedness: The summary appended at the end of each case digest reflects the information obtained from the stated sources. It contains a state's or county's outstanding indebtedness, generally as of the end of the fiscal year, terminating in 1966. Unless otherwise indicated, it contains general obligation and special revenue debt. The comparison to the outstanding debt as of 1957, contained in the text of these digests, is calculated against figures obtained from the same sources as the 1966 data, but which have not been shown in the text.

5. Property Taxes from Third Party Interests upon Federal Lands: The summary at the end of each study digest entitled "Summary of Leaseholds and Possessory Interests" contains information relating to those third party interests upon Federal lands which in 1966 were on the tax rolls of the various counties. Additionally, the county digests identify such other leaseholds and possessory interests which existed as of that time but which were not being taxed. The method employed in obtaining this information was to obtain inventories of current leases from the various Federal land management agencies and check those against county tax records. Where large numbers of leases subject to taxation existed, it was not always feasible to specifically identify the assessed value of each. In such cases, averaging and estimating techniques were employed. It must also be understood that where county assessors were not able to identify the taxation of a third party interest upon Federal lands, it was assumed that such was not being taxed.

6. Value of Free Goods and Services: The estimates of the value of the free goods and services obtained by state and county governments from the various Federal land management agencies were obtained from these agencies' field officers. These officials first provided records identifying the type and quantity of the goods and/or services which their agencies made available over a period of time. The cost or value of these were then identified, again using data provided by the agencies. For all those items which are of a capital nature, such as the use of roads, bridges and other Federal installations, an annual value was computed, based on the capital cost divided by the useful life of the asset and added thereto the annual operating expenses, if any. Finally, the total value of services provided over time were divided and averaged so as to provide an estimate of the annual value.

7. Federal Facilities and Services Having Joint Use: The methods employed in arriving at the estimates contained in the digests are similar to those described under 6. above. However, where joint use of the Federal facilities by Federal and state or local agencies was made, the percentage of use by the state or local agency, as provided by the cognizant Federal agencies, was applied to the estimated annual value.

8. Burdens to State-Local Governments: State and local governments do not typically maintain financial records from which it is possible to identify specific financial burdens incurred by them due to the presence of public lands. However, most county officials concerned with county budgets, expenditures and selected public services are usually aware of incremental expenditures, if any, which are necessitated by the presence of public lands. In this context, the meaning of the presence of public lands is understood to include public land uses which necessitate the provision of additional public services. For example, recreational activities upon public lands typically require local governments to provide incremental law enforcement, fire protection, road maintenance and other related services.

The evaluations made and the judgments expressed in this study and in the case study digests following relating to the financial burdens upon state and local governments do not purport to assert that similar burdens would not exist if the lands were in private ownership. The objective pursuit herein was to identify where public land-associated burdens exist and to quantify, to the extent possible, their magnitude. In all cases appropriate state and county officials were invited to identify the existence of such financial burdens and to quantify them. Where such identifications were made, members of the study team required that such be supported by appropriate documentation such as the expenditure budget for the appropriate item of public service.

9. Impact on County Finance: The comparative analyses contained in Section V of the case county digests are based upon the counties' receipts from PILT and RS programs plus any allocations from the BPR Sliding Scale Highway Aid program and in kind benefits identified under Sections 6 and 7 above. From this was deducted the direct burdens as explained under Section 8 above. The resulting net benefits were then compared with the potential tax revenue which might be collected from the same lands, as derived in Table No. C-8.

10. The Overview: This last item in the case study digests generally contains nonquantifiable information reflecting the views expressed by the interviewed state, county and Federal officials.

The state and county case study digests follow.

Appendix No. 3
Figure No. 1

# List of Case States and Counties

## Case States and Case Counties in Case States

- California
  - Del Norte
  - Fresno
  - Nevada
  - San Bernardino
  - Trinity
- Colorado
  - Fremont
  - Grand
  - Gunnison
  - Las Animas
  - Mesa
  - Moffat
  - Montrose
  - Rio Blanco
  - Rio Grande
  - Summit
- Minnesota
  - Cass
  - Itasca
  - Lake
  - Marshall
  - St. Louis
- New Hampshire
  - Carroll
  - Coos
  - Grafton
- Washington
  - Jefferson
  - Okanogan
  - Skamania
  - Stevens
  - Whatcom

## Case Counties in Other States

- Arizona
  - Mohave
  - Yuma
- Idaho
  - Clearwater
  - Owyhee
- Montana
  - Garfield
  - Lincoln
- Nevada
  - Clark
  - Elko
- New Mexico
  - Rio Arriba
  - Sierra
- Oregon
  - Lake
  - Lane
- Utah
  - Kane
  - Box Elder
- Wyoming
  - Natrona
  - Sublette
- Arkansas
  - Johnson
- Michigan
  - Gogebic
- North Carolina
  - Cherokee
- Pennsylvania
  - Forest
- South Dakota
  - Pennington
- Texas
  - Angelina

## CASE STUDY DIGEST
## CALIFORNIA

## I. The State

a. General Description: The State of California, the most populated state in the Union, is estimated to have passed the 20 million population mark early in 1968. Commencing shortly after World War II, California's population grew at a faster rate than any other state in the Continental U. S. It is the third largest state in the Union (only Alaska and Texas are larger in land area), covering an area of over 158,000 square miles along the Pacific coast. As of the 1960 Census, and despite the fact that California is the leading agricultural producer in the nation, its population was 86.4% urban. The state's economy is extremely diversified and, besides its lead as an agricultural state, it is also one of the leading industrial states and the first in defense-aerospace manufacturing, research and development. Rural land use in the coastal areas is primarily in commercial forests and specialty crop production, in the Imperial Valley vegetables, and the large Central Valley is the origin of the major volume vegetable crops for which California is well known.

Reflecting the size of California's population is the large number of subordinated units of government. Organized under state statutes are 58 counties, 373 municipalities, 1,630 school districts and almost 2,000 special districts. Counties are governed by boards of supervisors, cities by city councils and the various school and special districts by elected and/or appointed officials. Many of the special districts, notably those in the areas of sanitation, water supply resources and other resource development functions operate independently of the local governmental jurisdictions of the areas in which these districts are located. The state has been a leader in the formation of governmental units such as primary education and junior college districts whose span of activity encompass multi-county areas. Generally speaking, through a strong state governmental leadership and assisted by an active Civil Service system encompassing practically all public employment in California, the concept of multi-county and regional government has been strongly supported.

Despite or perhaps rather because of the rapid population growth, state finances have been troubled during most of the post-war years. In 10 of the years since 1951, state expenditures have exceeded revenues. During the fiscal year ending June 30, 1966, for example, total state expenditures exceeded revenues by over $62 million, an expenditure rate of $1.017 per dollar of revenue. The like ratio for 1961 was $1.08 and the all-time high was experienced in 1958 when expenditures per dollar of revenue reached $1.094. (These figures relate to state governmental revenues and expenditures as classified by the State Controller; they are exclusive of receipts from the Federal government and other items outside the state treasury. For 1966, for example, they relate to revenues of $3.58 billion and expenditures of $3.64 billion, as compared with "overall" state finance figures contained in Section II.b. of this digest, amounting to $7 billion and $6.8 billion respectively.)

The general fiscal practice is for counties, certain towns and the various districts to perform all tax assessments relating to real and personal property while the State Board of Equalization assesses utility properties throughout the state. While all classes of assessable properties are to be assessed at the same ratio to their market value, there have been fairly wide variations and during a recent session of the State Legislature, a mandatory assessment ratio of 25% of market value was enacted.

b. Vital Statistics: Following are the vital statistics for the entire state:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population (000) | 1960 | 1 | 15,721 | 1966 | 4 | 18,802 | 19.6 |
| Urban[1] | 1960 | 1 | 13,577 | 1966 | 6 | 16,170 | 19.1 |
| Rural | 1960 | 1 | 2,144 | 1966 | 6 | 2,632 | 22.8 |
| Employment (000) | 1959 | 2 | 4,896 | 1966 | 2 | 6,105 | 27.9 |
| Personal Income ($000,000) | 1960 | 3 | 42,980 | 1966 | 3 | 65,002 | 51.2 |
| Per Capita Income ($) | 1960 | 3 | 2,710 | 1966 | 3 | 3,457 | 27.6 |
| Public School Enrollment (K-12) | 1960 | 5 | 3,353,600 | 1966 | 5 | 4,357,904 | 29.9 |

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[1] Includes areas of 2,500 people or more.

Sources: See Page S1-3.

While the rapid growth of the state population has already been mentioned, the 1966 population figure in the foregoing table was estimated to be almost 200,000 below the actual figure as of June 1, 1966, reflecting a further increase of about 1% of the state's population. The increase in employment exceeded the population growth and was about the same as the growth rate for per capita income. The increase in public school enrollment (K-12) substantially exceeded the population growth and as of 1966 it was estimated that over 21% of the state's total population was enrolled in its public school system.

A comparison of the statistics for the entire state with those for five selected case counties[1/] shows that unlike other states the rates of growth in these public land intense counties have generally matched or exceeded those for the entire state. The major exception is in personal and per capita incomes. As is typical throughout the nation, these less urban areas have shown lesser rates of increase and the absolute figures lag behind those for the entire state.

c. The Land: The state's total area exceeds 100 million acres (over 158,000 square miles). More than 44% of the state's land is in Federal ownership. Over 16.4 million acres were not subject to any in lieu tax or revenue sharing programs in 1966. The three major holdings in this category were 7.4 million acres under the jurisdiction of the Bureau of Land Management (BLM), 4 million acres under the jurisdiction of the National Park Service (NPS), and over 3.6 million acres under control of the Department of Defense (D of D). As defined under Section 10 of PL 88-606, contained in the state are some 42.4 million acres; however, only some 27.9 million of these were subject to in lieu tax and revenue sharing programs as of 1966, and are comprised of the following acreage:

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[1/] Del Norte, Fresno, Nevada, San Bernardino and Trinity Counties.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. U. S Bureau of Labor Statistics, Employment and Earnings Statistics for States and Areas, Nonagricultural Employment, Bulletin 1370-4, July, 1967.
3. U. S. Department of Commerce, Office of Business Economics. Survey of Current Business, August, 1967.
4. U. S. Bureau of the Census, Current Population Report, Series P-25, No. 373.
5. U. S. Department of Health, Education, and Welfare, Office of Education, Fall 1960 Enrollment, Teachers and Schoolhousing, and Fall 1966 Statistics of Public Schools.
6. Estimated by using data on urban and total population in Sales Management, Survey of Buying Power, June 10, 1967.

| | | |
|---|---|---|
| BLM | - Grazing Districts (Including Mineral Leasing) | 7,716,325 |
| FS | - National Forests | 19,966,590 |
| | National Grasslands | 18,315 |
| BSF&W | - Wildlife Refuges | 60,428 |
| B of R | - Trinity River Basin, Klamath Reclamation Projects | 87,871 |
| C of E | - Flood Control Projects | 77,628 |
| | - Total Acreage | 27,927,157 |

Of the 8 to 9 million acres of originally state-owned lands granted from the Federal government from the public domain and various Congressional acts, about 6 million acres were classified as school lands. Approximately 4 million acres of the land so granted are still held by the state and are administered by the State Land Commission. Additionally, the state has acquired substantial tracts for various state purposes primarily as state parks, fish and game preserves and water resource areas. In many parts of the state, Federal, state and otherwise owned lands are intermingled. As a result, a large number of agreements between departments of state and Federal land management agencies exist for the purpose of protecting the public interest, primarily protection from fire hazards, in a manner destined to provide equity in terms of expenditures by the various land owners. This subject will be further discussed in Section V of this digest.

## II. Finance

a. General: The State of California operates on an extremely broad tax base comprised of a variety of taxes, revenues, fees and miscellaneous receipts. Though having the constitutional authority to levy real and personal property taxes, the state has not levied such taxes in this century and has concentrated its tax efforts in a large number of other areas, mostly in income and use taxes. The only taxation similar to a conventional property tax is the motor vehicle license fee, described by the state as an in lieu tax, which is levied upon all licensed motor vehicles, house trailers and noncommercial aircraft, and it is based on the approximate market value of these properties. Following are summary descriptions of current (1967) state and local taxes and their respective taxing authorities.

i. State Taxes: The administration of the state's taxes is not centralized in any one agency or official, but is vested in several. Principal among these are the State Board of Equalization, which alone administers the Sales and Use Tax Law, the Use Fuel Tax Law, the Private Car Tax Law, the Alcoholic Beverage Control Tax Law. It also shares with the State Controller the administration of the Motor Vehicle Fuel Tax Law, the Motor Vehicle Transportation Tax Law and with the Department of Insurance the Board of Equalization shares the administration of the Insurance Company Tax Law. The State Controller, who in addition to sharing with the State Board of Equalization the administration of the laws mentioned, is charged with general administration of the Inheritance Tax and Gift Tax Laws. The Franchise Tax Board administers the Personal Income Tax Law and the Bank and Corporation Tax Law. The Department of Motor Vehicles administers the Vehicle License Fee Law and the provisions of the Vehicle Code imposing license and registration fees.[1]

A summary of these state taxes and the authority for their imposition is appended at the end of this digest.

ii. Local Revenues: Local revenues are derived from three principal sources: Federal, state, and taxing authority of the governments themselves. State payments fall into two categories, those made out of the general fund on an assistance basis and those based on sharing of certain state revenues.

Cities and towns do receive the net receipts from the state gasoline[2] and motor vehicle license taxes[3], 30% of the cigarette tax receipts[4], and a fee for collecting the inheritance tax[5]. The counties are also compensated for the tax exempt status of certain state lands within their jurisdiction. For example, the state pays the county producing the revenue 24% of the rentals on lands purchased for highway purposes[6] and 1% of the revenues on tide and submerged lands in which the state has retained mineral rights[7]. The county also receives a full tax equivalency payment on any state forest[8] and wildlife lands acquired since 1949[9].

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1/ CAL. REV.& T. Code (CR&TC) Introduction, p.4.
2/ R & TC § 8352.
3/ R & TC §§ 11001 - 5.
4/ R & TC § 30461.
5/ R & TC §§ 13401 - 7.
6/ CAL. STR. & H.CODE (CS&HC) §§ 104.6 - .10.
7/ CAL. PUB. R. CODE (CPRC) § 6817.
8/ CAL. FOR. CODE (CFC) § 4433.
9/ CAL. FISH & GAME CODE (FS&GC) § 1504.

California's assistance programs are more numerous. These can be broken down into three subdivisions -- payments for public education, public transportation, and public health and safety. Pursuant to its educational assistance programs, the state makes equalization payments[10], reimburses school districts for the cost of their drivers' education courses[11], grants for adult education[12], inmate education[13], and growth allowances[14], and makes aid grants for school construction[15], education of mentally retarded minors[16], and school transportation[17].

Local governments also receive state assistance for their public health services[18], the county health departments[19], and for forest fire protection[20].

Finally, California maintains an assistance program for local highway construction[21], and for highways constructed in connection with state-aided school construction[22].

As numerous as the California assistance programs are, most local revenues are generated by the local taxing units themselves. The general property tax[23] is the most important of these taxes, but some of the local governmental units are also authorized to license local business and "itinerant peddlers"[24].

b. Revenues and Expenditures: As noted in Section I of this digest, the state's fiscal accounting as reported annually by the State Controller excludes a large number of revenues and expenditures which "flow" through the state at the state government level and which are contained in reports published by the Bureau of the Census, U. S. Department of Commerce. The largest of these items is that relating to the income from trust revenues which in 1966 accounted for over $1.4 billion. Likewise, a variety of grants and assistance programs from the Federal government are not included in the State Controller's accounting. As a result of the different accounting bases, the figures reported by the state and those contained in the *Compendium of State Government Finances* not only vary greatly in overall magnitude (for 1966 the state reports revenues of $3.58 billion as compared with the Compendium of $7 billion; expenditures reported by the state amount to $3.64 billion and those contained in the Compendium amount to $6.82 billion), but also the excess of state governmental expenditures over state governmental revenues is not apparent in the Compendium figures (see Section I of this digest).

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[10] CAL. EDUC. CODE § 17901.
[11] *Id.* at § 17305.
[12] *Id.* at § 17951.
[13] *Id.* at § 17951.
[14] *Id.* at § 18001.
[15] *Id.* at § 19053.
[16] *Id.* at § 18101.
[17] *Id.* at § 18051.
[18] CAL. HEALTH & S. CODE (CH&SC) § 1157.
[19] *Id.* at § 1141.
[20] CPRC § 4050.
[21] CAL. CITIES & MUN. CODE §§ 2113 - 17.
[22] CS&HC § 203.
[23] CAL. GOV'T. CODE §§ 43000, 29120.
[24] CAL. BUS. & P. CODE §§ 16100, 16101.

In order to present and analyze figures for state government finance which reflect as consistent an accounting basis for the 10-year period and the various states as is available, the Compendium figures were chosen. Tables Nos. C-1 and C-2 contain the 10-year data for state revenues and expenditures. These revenue figures reflect the substantial growth in the state's receipts from the Federal government. They have increased by over $1.4 billion during the 10-year period, a rate of increase of 281%. While the increase in the collection of "in lieu" taxes, shown in the column "property tax", amounted to only 75%, it too is a very substantial increase as it reflects no increase in the tax rate but rather an increase in the approximate market value of motor vehicles licensed in the state. As the table following shows, these have accounted for between 98% and 99% of the total "property tax" levied.

| Year | Motor Vehicle License Fees (In Lieu Tax) Revenue (Thousands of Dollars) | Percent of Total Reported Property Tax | Approximate Market Value of Property Taxed (Thousands of Dollars) |
|---|---|---|---|
| 1957 | 106,232 | 98.7 | 5,311,600 |
| 1958 | 109,581 | 98.2 | 5,479,050 |
| 1959 | 112,831 | 98.7 | 5,641,550 |
| 1960 | 123,995 | 98.8 | 6,199,750 |
| 1961 | 127,655 | 98.6 | 6,382,750 |
| 1962 | 134,183 | 98.4 | 6,709,150 |
| 1963 | 146,992 | 99.4 | 7,349,600 |
| 1964 | 161,775 | 99.0 | 8,088,750 |
| 1965 | 176,275 | 98.6 | 8,813,750 |
| 1966 | 187,251 | 99.2 | 9,362,550 |

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Source: Annual Report of the State Controller, State of California, December 15, 1966.

The increase in total taxes, which have more than doubled over the 10-year period, is attributable primarily to corporate and personal income taxes, motor vehicle fuel taxes, and retail sales, use and gross receipts taxes. The latter items accounted for more nearly $2 billion in 1966. The increase in total taxes and revenues is also attributable to the growth in trust revenues which in 1966 accounted for over $1.4 billion of the $2 billion associated with "other revenues". The balance of about $.6 billion is comprised of toll charges, dues and fees for state-furnished education (state universities and colleges, vocational training, etc.) and miscellaneous items.

The counties and towns in the state continue to rely heavily upon property taxes although their share of total revenues has steadily declined. While the total collection of local property taxes reported by all counties increased from slightly under $400 million in 1957, they exceeded $885 million in 1966. Yet, as a percentage of total revenue they accounted for 41% and 38% respectively. The share of county revenues from state subventions and grants, despite the greatly increased amount, declined as a percent of the total county revenues. For 1966, it amounted to 28% and, as such, was the second largest source of local revenue. The only other single item of major proportion in local government revenue was the payment from Federal government which increased both in amount and as a percent of total revenue; Federal grants reached well over $482 million in 1966 representing an increase of $49 million from the previous year, accounting for almost 21% of total local revenue.

Table No. C-1a reflects the increase in total state taxes per capita and as a percent of EBI. While the per capita increase for the state over the 10-year period was almost 52%, as a percent of EBI the increase was less than 10%.

The large increase in expenditures for education, shown in Table No. C-2,is not only a function of California's rapid population growth but also its leadership in providing a broad system of state-sponsored educational facilities for all levels above the secondary. The very large increase in other state expenditures, reflecting a 10-year rate of increase of 244%, is concentrated in the categories of public welfare which accounted for about $1 billion in 1966, natural resources which accounted for about $500 million in that year, and substantial increases in the cost of state-operated hospitals, correctional institutions and for other health services and financial administration. Not evident from the Compendium figures is the continuing increase in the state's expenditures for local assistance programs. In fact, the largest portion of the cost of state government, over 57% of the moneys accounted for by the State Controller, consists of moneys paid by the state to cities, counties and special districts as subventions and shared revenues. The state reported that 10 years ago, i.e. during the fiscal year ending June 30, 1958, slightly over 55% of the state's expenditures were disbursed for local assistance programs. Consequently, the percentage increase for local assistance was small but the absolute amount has increased by an estimated amount in excess of $1.1 billion. (The column "distribution to local government agencies" in Table No. C-2 shows an increase of $1.5 billion; this figure, however, includes moneys not reported by the State Controller, primarily distributions from and to trust funds.)

c. Property Tax: As mentioned before, the state does not levy a general property tax and the only revenue item related to the assessment of tangible property is the ad valorem tax on motor vehicles, house trailers and noncommercial aircraft. The importance of general property taxes to local units of government has been discussed in the preceding section of this digest. The value of assessed property, including local and state-assessed properties, has more than doubled during the 10-year period. For fiscal year 1965-1966, the total assessed value of real and personal properties reached $39.4 billion while in 1957 they amounted to about $20 billion. For the subsequent fiscal year, 1966-1967, an increase in the assessed value of over $3 billion, or almost 8%, was estimated by the various counties. (Table No. C-3 omitted in this digest as it is not applicable.)

d. Bonded Indebtedness: The state's outstanding bonded indebtedness in 1966 reached $4.2 billion. Ten years earlier, the reported amount was $1.16 billion. While the financing of school construction accounted for about $700 million of the increase, the largest share of the net increase, over $2 billion, was for other items including veterans' farm and home building, $1.3 billion; state water bonds, $450 million, and other state construction program items. The summary at the end of this digest contains the outstanding balance of bonded indebtedness, general obligations and revenue bonds, as of 1966 by major categories.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs: Reflecting the large Federal acreage and the diversity of the types of land are the number of in lieu tax and revenue sharing programs applicable to the state. Pursuant to various state statutes, all of the moneys received from these programs were passed on to the counties and taxing districts from which they originated or where the lands, for which the in lieu payments are made, are located. These programs are comprised of the following:

FS - National Forest Lands
- National Grasslands

BLM - Inside Grazing Districts, TG-3
- Outside Grazing Districts, TG-15
- Mineral Leasing
- Sales of Public Lands and Materials

BSF&W - Bird and Wildlife Refuges
- National Grasslands

C of E - Flood Control Projects

B of R - Trinity River Basin
- Klamath Reclamation
FPC - Water Power Charge Receipts

D of D - (RFC) Navy[1]
- (RFC) Air Force

Table No. C-4 contains the 10-year data for applicable acreages and payments by program and agency, to the extent that these data are available. The table also identifies those programs and payments which apply to lands within the scope of Section 10 of PL 88-606.

Total payments to the state have not increased substantially during the 10-year period, though in 1966 they reached an all-time high of $9.74 million, fluctuated widely during the 10-year period and in 1961 were only slightly over $6 million, while in the preceding year they exceeded $8.8 million. About two-thirds of the 1966 payments were from the National Forest Fund and the only other large item was from mineral leasing revenues. On a per acre basis the payments for 1966 amounted to about 35¢, a substantially higher average than for other public land intense states.

b. Value of Free Goods and Services: The state has obtained from three of the Federal land managing agencies considerable free goods and free land uses, the estimated value of which for 1966 is shown in Table C-6.

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[1] No payments since 1958.

c. Federal Facilities and Services Having Joint Use: The Forest Service has reported providing the state with the free use of certain of its facilities and also the rendering of certain specified services. Based on the original cost, annual operating costs, and the percentage of use of these facilities by the state, the annual value of these free uses of Federal facilities and services provided were estimated as follows:

| Agency | Nature of Free Facilities and Services | Total Annual Value |
|---|---|---|
| Forest Service (FS) | - Air Attack Base | $ 18,000 |
| | - Fire Prevention & Suppression | 100,000 |
| | - Wildlife Habitat Improvement | 13,292 |
| | - Communication System | 3,000 |
| | - Heliport | 1,000 |
| | - Lookouts | 6,760 |
| | - Radio Vaults | 178 |
| | - Radio (Gunsite) | 228 |
| | - Lakes | 4,005 |
| | - Underground Generator | 720 |
| | - Total Annual Value | $ 147,183 |

d. BPR Sliding Scale Highway Aid Benefits: The state obtains substantial allocations under the Federal Interstate and ABC Highway Aid programs which are attributable to the presence of public lands. Table No. C-5, which contains the appropriate figures, shows yearly fluctuations ranging from a low of $7.53 million in 1957 to a high of $13.60 million in 1964.

e. Forest Highway Fund: In each year of the 10-year study period appropriations were made to the Forest Highway Fund in the state. The annual appropriation since 1960 has been at a level of $4,726,004. During the preceding years the appropriations were: 1957, $3,221,556; 1958, $4,296,368; 1959, $4,818,258.

f. Loss in Revenue As a Result of Sharing Net Versus Gross: The Forest Service made substantial collections for the K-V Fund in each year of the 10-year period. Table No. C-9 contains the appropriate figures. It shows that K-V collections have varied widely. In 1966 the K-V Fund collections reached an all-time high of over $3.9 million, over 15% of gross receipts. The resulting "loss" in shared revenue was $981,000.

g. Resource Expenditures - Management: Very large resource program expenditures have been made in the state, primarily by the Forest Service and the Bureau of Land Management. Table No. C-7 contains a summary of these expenditures for all the agencies and the 10-year period to the extent that the pertinent data were available. As is shown, these resource program expenditures reached an all-time high in 1966 of $96.6 million. The annual average for the years 1963-1966 is over $84 million, of which 38% was applicable to capital expenditures. Tables Nos. C-7a1, 2, 3, 4, 5 and 6 contain the detailed expenditures by expenditure category, to the extent that these data are available.

The survey of management functions performed by the various land managing Federal agencies shows the Forest Service, Bureau of Land Management and Bureau of Sport Fisheries and Wildlife engaged in a multiple use land management program containing a large variety of management functions. The Forest Service, in addition to its more conventional management functions, is engaged in the issuance of building permits on private lands located within the boundaries of national forests. Likewise, it is engaged in the development and maintenance of recreational facilities and the same applies to the two other aforementioned agencies. One of BLM's important activities in the state involves land exchanges, acquisitions and disposals. The Bureau of Reclamation is also engaged in the development of wildlife habitat, land sales and, of course, primarily the development and protection of the watershed. The Corps of Engineers, while not itself engaged in the development of recreational areas, has provided such lands for development by others, notably agencies of the state.

## IV. Burdens to State Government

a. **Direct Burdens:** The identification of any direct financial burdens upon state government due to the presence of public land is difficult. Inevitably, such burdens do exist, yet it is questionable whether the presence of public lands is responsible for incremental expenditures at the state level other than such as might be made in the form of larger subventions to local governments because of the deficiencies in the tax base of public land intense counties. Neither the structure of the state accounting methods nor the interviews with state officials have facilitated the identification of the magnitude of such burdens.

It might be that the state's in lieu tax program applicable to Federal bird reservations is a financial burden upon it. The state's Fish and Game Code provides that if in any year on lands acquired by the Federal government payments to the county from an applicable project do not equal the taxes assessed on such project, the state shall pay from income derived from hunting privileges on the project an amount equal to the balance of the taxes on the entire project. However, because such in lieu tax payments can only be made from revenues accruing to the state from the applicable lands, no state appropriations or moneys from other sources can be made. For the purposes of this in lieu tax payment, the taxes due on a given project were defined as those assessed at the time of acquisition (of the lands) plus any subsequent increases that may accrue from general county increases in the tax rates, but not subject to reevaluation of such project properties after the time of acquisition (Section 10682 California Fish and Game Code).

As will be shown in Section V of this digest, the state is typically reimbursed either directly or by offsets for services it may render upon or in connection with Federal lands. In conclusion then, though it is probable that financial burdens are incurred by the state due to the presence of public lands, at least in expenditure categories relating to highway construction and maintenance, law enforcement and the provision of utility services for which it was not previously reimbursed, such burdens were not susceptible to quantification, except for the analysis contained in Section V of this digest.

b. Indirect Burden: Because the State of California does not levy a general real and personal property tax, the immunity of the Federal lands to such tax does not cause a reduction in state revenues and no such indirect burden is incurred.

## V. Impact of Present System

Under the state's statutory provisions all in lieu tax and revenue sharing payments are passed on to the various units of local government and the state derives no direct benefits. However, as a result of the earmarking of Federal payments for school purposes, state grants to school districts are reduced and thereby certain reductions in state expenditures are obtained. More substantial are the benefits the state has obtained from the provision of free goods and services and the BPR Sliding Scale Highway Aid program. As was shown in Section III of this digest, the amount and value of in kind benefits are of considerable magnitude. According to state officials these benefits are offset by state expenditures although, as stated, their magnitude could not be quantified.

In an effort to obtain a measure of the potential financial burden caused by the presence of Federal lands, the state's three major expenditure categories for local governments were disaggregated to obtain comparative per capita expenditure levels for five public land intense counties (the five case counties), all the other counties (some of which also have considerable Federal lands), and the state as a whole. The following results were obtained:

Per Capita State Expenditures for Selected Items, 1966

| | Aid to Public Schools[1/] | Roads & Highway[2/] | Health & Welfare[3/] | Three Programs Combined |
|---|---|---|---|---|
| State average ($) | 52.47 | 0.23 | 20.00 | 72.70 |
| Non-case counties($) | 51.86 | 0.22 | 19.59 | 71.68 |
| Case counties (5)($) | 62.23 | 0.31 | 26.57 | 89.11 |
| Ratio-case counties to states | 1.19 | 1.35 | 1.33 | 1.23 |

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1/ For support of public schools and other educational programs.
2/ For county roads and grade crossings only.
3/ For mental hygiene, public health and social welfare.

Source: State of California, Annual Report of the State Controller, for fiscal year ended June 30, 1966.

The above figures clearly demonstrate the greater financial burden caused by the public land intense counties as compared with all other counties and the state as a whole. These results are obtained despite the fact that all PILT and RS payments accrued to the state are rebated in full to the origin or designated counties.

Another related observation concerns the relationship of all Federal aid payments to the state compared with PILT and RS. According to the report of the Treasury, all Federal aid payments have increased from $27.51 per capita in 1957 to $71.36 per capita in 1966 (per capita calculations based on population estimates of the Bureau of the Census), a rate of increase of almost 160%. For the same period, PILT and RS payments, on a per capita basis, have actually declined. The 1957 payments were about 53¢ and the 1966 payments 51¢, a decline of almost 4% in the per capita revenue from this source.

Hence, it is quite evident that the PILT and RS payments have increasingly fallen behind other Federal aid payments to this state, though the indications are that the Federal land intense areas are causing greater financial burdens than the other areas in the state. This situation is not unique to California as similar relationships were found in other case states.

During the course of this study the impression was gained, however, that the greatest impact upon the state from the presence of public lands lies in other areas. These are the many state-Federal agreements relating to the management and protection of state and Federal lands, part of which are believed to result in net benefits to the state and the Federal government. Another area understood to be of considerable benefit to the state results from the professional and technical advice and services provided by some of the Federal land management agencies which cover, in many instances, state and privately owned lands which are either intermingled or adjacent to Federal land holdings. It is important to point out that the state has provided for in lieu tax payments on all acquired state forest lands while such Federal properties are not treated similarly. Notably, the state's in lieu tax provisions specify that an amount equal to the taxes levied by the county on similar land, similarly situated in the county, shall be paid by the state. The determination of what constitutes "similar land" is made by a committee consisting of the County Assessor, a representative of the State Board of Equalization, and a representative of the State Forester. Likewise, on properties acquired by the state's Department of Fish and Game, the state also is required to pay annually to the county in which the property is located an amount equal to the county taxes levied upon such property at the time title to the property was transferred to the state. Hence state lands potentially cause a considerable net burden upon state finances. The only provision for in lieu tax payments to counties due to the presence of Federal lands are those which accrue to the state revenues from such Federal lands.

The most noteworthy of the state-Federal cooperative arrangements are those relating to the protection of forest, watersheds and wild lands from fire.

Following are some examples of such arrangements: Within the national forests there are over 5.2 million acres of intermingled private lands for the protection of which the state considers itself responsible. Because these lands can be more efficiently protected by the Forest Service, the state pays to that agency an amount exceeding $1.4 million annually in return for which the necessary fire protection is provided. Similarly, within the state protection area, there are over 510,000 acres of national forest parcels which are provided fire protection through the state. The cost incurred by the state is offset in the contract between the state and the Forest Service mentioned before. Likewise, there are over 2.3 million acres of land administered by BLM which are intermingled within the state responsibility areas. To provide protection for these BLM lands, the Federal agency pays the state $0.315/acre for protection on timber lands and $0.128/acre for other uplands. In fact, BLM does not maintain any protection facilities for these lands. Yet, under another contract and relating specifically to intermingled lands in grazing districts, the state is reimbursed for actual cost of fire suppression. Conversely, BLM has well consolidated ownerships in two of the counties, Lassen and Modock, in which it operates its own protection system and any state-responsibility fires in these counties are controlled by BLM and the costs are absorbed by the state on an offset basis. Similar arrangements exist for over 263,000 acres of Indian lands administered by the Bureau of Indian Affairs. Even the National Park Service has similar arrangements for parks which contain scattered parcels of private land for which the National Park Service provides fire protection.

One type of impact which is of considerable concern to state officials deals with the delays incurred in completing surveys on Federal lands, particularly those which are school lands to which the state is entitled. The state still claims several million acres of public domain ceded to the state by Act of Congress and, while apparently reasonable expeditious methods for the transfer of these lands had been established, they were reported to have seriously slowed down during the past 10 years. Representatives of the State Lands Division indicated that currently a period of about 10 years is needed to process the transfer of such lands. Moreover, as evidenced in the state's testimony in public hearings before the Public Land Law Review Commission, it is claimed that only the least desirable lands are made available to the state. Conversely, it was reported that the Bureau of Land Management requested the state's cooperation in the transfer of some property needed for Federal purposes and the BLM officials then indicated that a period of transfer of from three to six months would be needed. Yet another area in which an adverse impact from Federal land management policies is claimed by the state relates to the dissimilar timber management practices of the Forest Service and the Bureau of Land Management. It is claimed that BLM permits the harvesting of timber at twice the rate as permitted by the Forest Service whose sustained yield policies appear to average a 1% harvest per year, equal to a 100-year cycle.

Note: Tables Nos. C-3 and C-8 are not included in this digest; they do not apply to this state. Likewise, a summary of possessory interest taxation is not included as there is no state property tax applicable to such interests.

# CALIFORNIA

## BONDED INDEBTEDNESS
1966
(Thousands of Dollars)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | NA | $1,325,449 |
| Highways | NA | 233,772 |
| Water Transportation | NA | 51,962 |
| Other | NA | 2,597,610[1] |
| Total | NA | $4,208,793 |

[1] Includes $1,273 million for veterans' farm and home loans.

Source: State Government Finances in 1966, U. S. Department of Commerce, Bureau of the Census, 1966.

## CALIFORNIA

## SUMMARY OF STATE TAXES AND TAXING AUTHORITY

| Type of Tax | Citation |
|---|---|
| Alcoholic Beverage Tax | CR&TC § 32151 |
| Cigarette Tax | CR&TC § 30101 |
| Gasoline Tax | CR&TC § 7351 |
| Motor Carrier Tax | CR&TC § 9651 |
| Sales and Use Tax | CR&TC §§ 6051, 6201 |
| Use Fuel Tax | CR&TC § 8651 |
| Gift Tax | CR&TC §§ 15201-208 |
| Inheritance Tax | CR&TC §§ 13401-407 |
| Motor Vehicle Registration Fees | CVEH.C § 370 |
| Severance Tax | CPR §§ 2851, 3400 |
| Corporate Franchise Tax | CR&TC §§ 23151, 23181, 23183, 23501 |
| Income Tax | CR&TC § 17041 |
| Insurance Tax | CR&TC § 12101 |
| Private Car Tax | CR&TC § 11251 |
| Racing Fees | CB&PC § 19485 |
| Agricultural Taxes | CAC §§ 1038, 1083 |

## TABLE NO. C-1

## STATE GOVERNMENT RECEIPTS BY SOURCE
(Thousands of Dollars)

STATE California

| Year | Total Property Tax | Total Taxes | Taxes and Revenues | Receipts from Federal Government | Total Receipts |
|---|---|---|---|---|---|
| 1957 | $ 107,653 | $ 1,637,187 | $ 2,440,122 | $ 433,743 | $ 2,873,865 |
| 1958 | 111,581 | 1,673,873 | 2,417,921 | 547,306 | 2,965,227 |
| 1959 | 114,286 | 1,812,567 | 2,680,612 | 659,302 | 3,339,914 |
| 1960 | 125,459 | 2,124,369 | 3,088,441 | 664,478 | 3,752,919 |
| 1961 | 129,421 | 2,243,633 | 3,370,830 | 786,085 | 4,156,915 |
| 1962 | 136,300 | 2,369,449 | 3,603,742 | 926,404 | 4,530,146 |
| 1963 | 147,874 | 2,559,283 | 4,058,013 | 1,057,589 | 5,115,602 |
| 1964 | 163,328 | 2,930,188 | 4,571,038 | 1,171,967 | 5,743,005 |
| 1965 | 178,713 | 3,132,171 | 4,906,150 | 1,310,299 | 6,216,449 |
| 1966 | 188,688 | 3,437,731 | 5,408,828 | 1,652,270 | 7,061,098 |
| % Change 1957-1966 | 75.3 | 110.0 | 121.7 | 280.9 | 145.7 |

Source: Compendium of State Government Finances, U.S. Department of Commerce - Bureau of the Census, 1957-1966.

TABLE NO. C-1a

## STATE TAXES PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME, 1957 AND 1966

STATE California

| | Total State Taxes ($000)1/ | | | | | State Property Taxes | | Total State Taxes | |
|---|---|---|---|---|---|---|---|---|---|
| YEAR | Total Sales & Gross Receipts (1) | Individual Income (2) | Property (3) | Other2/ (4) | Total (5) | % of EBI (6) | Per Capita ($) (7) | % of EBI (8) | Per Capita ($) (9) |
| 1957 | 1,032,935 | 143,339 | 107,653 | 185,921 | 1,469,848 | 0.4 | 7.54 | 4.9 | 102.93 |
| 1966 | 1,974,070 | 454,313 | 188,700 | 386,823 | 3,003,906 | 0.3 | 9.81 | 5.3 | 156.24 |

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1/ Excludes corporation net income taxes.

2/ Includes license, death & gift, severance poll, document and stock transfer and other taxes.

Sources: Cols. (1), (2), (3), (4), (5): Compendium of State Government Finances, U.S. Bureau of the Census, 1957 and 1966.

Cols. (6), (7), (8), (9): Derived by using Effective Buying Income and Population series in the Survey of Buying Power, Sales Management, 1958 and 1967.

TABLE NO. C-2

## STATE GOVERNMENT DISBURSEMENTS BY MAJOR CATEGORIES
(Thousands of Dollars)

STATE California

| Year | Education Expenditures | Highway Expenditures | Other State Expenditures | Total State Expenditures | Disbursements to Local Government Agencies | Total Disbursements |
|---|---|---|---|---|---|---|
| 1957 | $ 295,256 | $ 435,250 | $ 757,070 | $ 1,487,576 | $ 1,130,287 | $ 2,617,863 |
| 1958 | 377,160 | 432,773 | 1,025,074 | 1,835,007 | 1,245,797 | 3,080,804 |
| 1959 | 452,921 | 500,038 | 1,151,979 | 2,104,938 | 1,318,361 | 3,423,299 |
| 1960 | 494,436 | 440,333 | 1,193,785 | 2,128,554 | 1,454,643 | 3,583,197 |
| 1961 | 564,080 | 542,345 | 1,531,728 | 2,638,153 | 1,584,118 | 4,222,271 |
| 1962 | 639,262 | 637,121 | 1,593,169 | 2,869,552 | 1,642,908 | 4,512,460 |
| 1963 | 716,096 | 658,150 | 1,747,425 | 3,121,671 | 1,804,137 | 4,925,808 |
| 1964 | 830,515 | 675,841 | 1,951,001 | 3,457,357 | 2,087,770 | 5,545,127 |
| 1965 | 663,417 | 736,577 | 2,344,504 | 3,744,498 | 2,378,373 | 6,122,871 |
| 1966 | 720,514 | 840,224 | 2,605,721 | 4,166,459 | 2,654,293 | 6,820,752 |
| % Change 1957-1966 | 144.0 | 93.0 | 244.2 | 180.1 | 134.8 | 160.5 |

Source: Compendium of State Government Finances, U.S. Department of Commerce - Bureau of the Census, 1957-1666.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-48
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = CALIFORNIA | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 3992719 | 2950592 | 3979991 | 5800895 | 2693001 | 3140687 | 3819553 | 5190348 | 5061359 | 6135009 |
| PERCENT BASE YEAR | 100.0 | 73.9 | 99.7 | 145.3 | 67.4 | 78.7 | 95.7 | 130.0 | 126.8 | 153.7 |
| PROGRAM ACREAGE | 19929208 | 19929594 | 19939949 | 19939469 | 19938564 | 19941512 | 19941780 | 19946622 | 19926486 | 19966590 |
| REVENUE $ PER ACRE | 0.20 | 0.15 | 0.20 | 0.29 | 0.14 | 0.16 | 0.19 | 0.26 | 0.25 | 0.31 |
| KLAMATH RECLMATION PJT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 67701 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 |
| PROGRAM ACREAGE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 68036 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 |
| MIGRATORY BIRD ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 711 | 885 | 805 | 670 | 3152 | 12383 | 13495 | 13090 | 12241 | 70127 |
| PERCENT BASE YEAR | 100.0 | 124.5 | 113.2 | 94.2 | 443.3 | 1741.6 | 1898.0 | 1841.1 | 1721.7 | 9863.1 |
| PROGRAM ACREAGE | 41429 | 41429 | 41429 | 41429 | 57939 | 57939 | 52417 | 63572 | 63646 | 56274 |
| REVENUE $ PER ACRE | 0.02 | 0.02 | 0.02 | 0.02 | 0.05 | 0.21 | 0.26 | 0.21 | 0.19 | 1.25 |
| NATL GRASSLANDS (BSW) | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 0 | 0 | 0 | 0 | 1080 | 602 | 1322 | 2033 | 0 | 761 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 55.7 | 122.4 | 188.2 | 0.0 | 70.5 |
| PROGRAM ACREAGE | 0 | 0 | 0 | 0 | 4328 | 4244 | 4244 | 4244 | 0 | 4151 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.25 | 0.14 | 0.31 | 0.48 | 0.00 | 0.18 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 3418103 | 3590440 | 3122823 | 2755388 | 2942415 | 2693021 | 2649677 | 3041904 | 2675480 | 3113774 |
| PERCENT BASE YEAR | 100.0 | 105.0 | 91.4 | 80.6 | 86.1 | 78.8 | 77.5 | 89.0 | 78.3 | 91.1 |
| PROGRAM ACREAGE | 1960629 | 1930336 | 1812160 | 1805983 | 1485545 | 1633191 | 1540982 | 1406117 | 1288997 | 1294766 |
| REVENUE $ PER ACRE | 1.74 | 1.86 | 1.72 | 1.53 | 1.98 | 1.65 | 1.72 | 2.16 | 2.08 | 2.40 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 43323 | 38016 | 65220 | 75774 | 94206 | 57132 | 56958 | 65640 | 70970 | 58419 |
| PERCENT BASE YEAR | 100.0 | 87.8 | 150.6 | 174.9 | 217.5 | 131.9 | 131.5 | 151.5 | 163.8 | 134.8 |
| PROGRAM ACREAGE | 44983 | 39774 | 79357 | 39001 | 44235 | 69732 | 35463 | 30951 | 32750 | 33462 |
| REVENUE $ PER ACRE | 0.96 | 0.96 | 0.82 | 1.94 | 2.13 | 0.82 | 1.61 | 2.12 | 2.17 | 1.75 |
| TAYLOR GRAZE SECT 15 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 35032 | 31256 | 36540 | 46640 | 41062 | 39660 | 44116 | 54317 | 44023 | 53756 |
| PERCENT BASE YEAR | 100.0 | 89.2 | 104.3 | 133.1 | 117.2 | 113.2 | 125.9 | 155.0 | 125.7 | 153.4 |
| PROGRAM ACREAGE | 4855058 | 4730616 | 4945392 | 4640744 | 4303288 | 4589564 | 4867078 | 4349555 | 4571901 | 3889887 |
| REVENUE $ PER ACRE | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 |

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-48
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE - CALIFORNIA | | | | | | | | | | |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 5116 | 6252 | 6933 | 7094 | 6433 | 4680 | 6750 | 7568 | 5909 | 6864 |
| PERCENT BASE YEAR | 100.0 | 122.2 | 135.6 | 138.7 | 125.7 | 91.5 | 131.9 | 147.9 | 115.5 | 134.2 |
| PROGRAM ACREAGE | 2245496 | 2610602 | 2610594 | 2608320 | 3780076 | 2505473 | 2506879 | 2542825 | 2235575 | 3792976 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 7495006 | 6617441 | 7212322 | 8686461 | 5781369 | 5960165 | 6591671 | 8374900 | 7869982 | 9506411 |
| PERCENT BASE YEAR | 100.0 | 88.3 | 96.2 | 115.9 | 77.1 | 79.4 | 88.0 | 111.7 | 105.0 | 126.8 |
| PROGRAM ACREAGE | 27116172 | 27352015 | 27616720 | 27275163 | 28149026 | 27248664 | 27405861 | 26937769 | 26830358 | 27811376 |
| REVENUE $ PER ACRE | 0.28 | 0.24 | 0.26 | 0.32 | 0.21 | 0.22 | 0.24 | 0.31 | 0.29 | 0.34 |

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4C
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS,NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = CALIFORNIA | | | | | | | | | | |
| NAT'L GRASSLANDS (USDA) | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 776 | 1190 | 497 | 567 | 510 | 509 | 537 | 506 | 468 | 448 |
| PERCENT BASE YEAR | 100.0 | 153.4 | 64.0 | 73.1 | 66.0 | 65.6 | 69.2 | 65.2 | 60.3 | 57.7 |
| PROGRAM ACREAGE | 23672 | 23672 | 19115 | 19115 | 19115 | 19115 | 19115 | 19115 | 19115 | 18315 |
| REVENUE $ PER ACRE | 0.03 | 0.05 | 0.02 | 0.03 | 0.03 | 0.03 | 0.03 | 0.03 | 0.02 | 0.02 |
| TRINITY RIVER BASIN | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 0 | 708 | 3439 | 7840 | 9608 | 9739 | 9742 | 9748 | 9702 | 9509 |
| PERCENT BASE YEAR | 0.0 | 100.0 | 485.7 | 1107.3 | 1357.1 | 1375.6 | 1376.0 | 1376.0 | 1370.3 | 1343.1 |
| PROGRAM ACREAGE | 0 | 16961 | 19290 | 19725 | 19819 | 19817 | 19837 | 19835 | 19835 | 19835 |
| REVENUE $ PER ACRE | 0.00 | 0.04 | 0.18 | 0.40 | 0.48 | 0.49 | 0.49 | 0.49 | 0.49 | 0.48 |
| GSA SURPLUS PROPERTY | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 82630 | 15235 | 10690 | 10501 | 0 | 0 | 0 | 0 | 0 | 0 |
| PERCENT BASE YEAR | 100.0 | 18.4 | 12.9 | 12.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROGRAM ACREAGE | NA | NA | NA | NA | 0 | 0 | 0 | 0 | 0 | 0 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| FLOOD CONTROL PROGRAM | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 90635 | 86667 | 91206 | 73230 | 175156 | 84269 | 92224 | 87887 | 86281 | 119022 |
| PERCENT BASE YEAR | 100.0 | 95.6 | 100.7 | 80.8 | 193.3 | 93.0 | 101.8 | 97.0 | 95.2 | 131.3 |
| PROGRAM ACREAGE | NA | 56168 | 66626 | 72102 | 73054 | 74690 | 78795 | 77756 | 77624 | 77620 |
| REVENUE $ PER ACRE | 0.00 | 1.54 | 1.37 | 1.02 | 2.40 | 1.13 | 1.17 | 1.13 | 1.11 | 1.53 |
| FORMER RFC (ARMY) | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 427599 | 0 | NA | NA | 0 | 0 | 0 | 0 | 0 | 0 |
| PERCENT BASE YEAR | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROGRAM ACREAGE | NA | 0 | NA | NA | 0 | 0 | 0 | 0 | 0 | 0 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| FORMER RFC (GSA FUNDS) | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 4823 | 0 | NA | NA | 6607 | 6796 | 7380 | 0 | 7438 | 7269 |
| PERCENT BASE YEAR | 100.0 | 0.0 | 0.0 | 0.0 | 137.0 | 140.9 | 153.0 | 0.0 | 154.2 | 150.7 |
| PROGRAM ACREAGE | NA | 0 | NA | NA | NA | NA | NA | 0 | NA | NA |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| FED. POWER COMMISSION | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 20900 | 22386 | 24752 | 29913 | 27640 | 27793 | 31914 | 31526 | 32999 | 31310 |
| PERCENT BASE YEAR | 100.0 | 107.1 | 118.4 | 143.1 | 132.3 | 133.0 | 152.7 | 150.8 | 157.9 | 149.8 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 8122384 | 6763827 | 7362991 | 8808584 | 6000870 | 6077271 | 6733712 | 8506383 | 8006868 | 9673860 |
| PERCENT BASE YEAR | 100.0 | 83.3 | 90.6 | 108.4 | 73.9 | 74.8 | 82.9 | 104.7 | 98.6 | 119.1 |
| PROGRAM ACREAGE | 27139866 | 27668998 | 27721959 | 27386105 | 28301056 | 27361886 | 27603600 | 27556673 | 28046932 | 27927154 |
| REVENUE $ PER ACRE | 0.30 | 0.25 | 0.26 | 0.32 | 0.21 | 0.22 | 0.24 | 0.31 | 0.28 | 0.35 |

NA = Data not available.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are affected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO STATE

(In Thousands of Dollars)

STATE California

| Year | Total Federal Highway Aid to State (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 110,957 | $ 7,526 |
| 1958 | 142,656 | 8,218 |
| 1959 | 197,078 | 11,899 |
| 1960 | 302,021 | 12,472 |
| 1961 | 227,709 | 11,196 |
| 1962 | 273,566 | 12,377 |
| 1963 | 272,468 | 11,049 |
| 1964 | 305,256 | 13,606 |
| 1965 | 310,632 | 13,167 |
| 1966 | 326,100 | 13,600 |

Source: U.S. Bureau of Public Roads, allocation by EBSMC.

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

STATE: California

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Rights-of-way | $ 317,787 |
| | Dams, Weirs, Watershed Improvement | 4,681 |
| | Refuse and Storage | 2,766 |
| | Experimental Stations and Demonstration Areas | 7,606 |
| | Fire Lanes and Towers | 4,447 |
| | Fish Hatcheries | 387 |
| | Mineral Materials | 1,510,050 |
| | Mineral Lands | 15,946 |
| | Radio Station Use | 9,907 |
| | Water Supply (Wells and Tanks) | 110 |
| | Reservoirs | 168 |
| | Camps - Maintenance and Non-recreational | 5,268 |
| | Building Sites (excluding Cabins) | 840 |
| | Unspecified Parklands - Recreational | 52,852 |
| | Landmark and Lookout | 381 |
| | Other Services and Unspecified | 92,288 |
| | Total Forest Service | $2,025,484 |
| B of R | Right-of-way | 1,600 |
| BSF&W | Right-of-way | 1,045 |
| BLM | Mineral Material | 299,171 |
| | Total All Agencies | $2,327,300 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

TABLE NO. C-7

State California

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 20,547,015 | $ 16,945,130 | $ 37,492,145 |
| 1958 | 24,171,910 | 38,650,810 | 62,822,720 |
| 1959 | 23,004,684 | 50,083,640 | 73,088,324 |
| 1960 | 37,834,319 | 48,213,080 | 86,047,399 |
| 1961 | 41,237,435 | 46,079,695 | 87,317,130 |
| 1962 | 40,406,294 | 54,993,645 | 95,399,939 |
| 1963 | 42,564,027 | 48,810,069 | 91,374,096 |
| 1964 | 43,083,798 | 25,993,715 | 69,077,513 |
| 1965 | 56,853,637 | 23,103,745 | 79,957,382 |
| 1966 | 66,599,705 | 30,003,705 | 96,603,410 |
| Average Year | 52,275,292 | 31,977,808 | 84,253,100 |
| Item % of Total, Average Year | 62 | 38 | 100 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices.

Federal Agency US Forest Service

Program National Forests

State California

## TABLE NO. C-7a

Page 1 of 6

### FEDERAL RESOURCE PROGRAM EXPENDITURE
(Thousands of Dollars)

51-15

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 9,615 | $ 164 | $ 90 | $ 4,497 | $ 436 | $ 136 | $ 477 | $ 17 | $ 12,712 | $ 28,144 |
| 1958 | 10,699 | 425 | 339 | 7,943 | 590 | 241 | 1,788 | 66 | 9,621 | 31,712 |
| 1959 | 12,202 | 476 | 601 | 6,057 | 866 | 279 | 1,967 | 92 | 10,823 | 33,363 |
| 1960 | 23,133 | 460 | 688 | 6,822 | 1,343 | 236 | 1,878 | 94 | 10,916 | 45,570 |
| 1961 | 25,681 | 675 | 589 | 6,725 | 1,986 | 242 | 2,649 | 127 | 11,279 | 49,953 |
| 1962 | 21,623 | 828 | 1,175 | 6,798 | 2,556 | 219 | 3,710 | 250 | 12,500 | 49,659 |
| 1963 | 16,449 | 919 | 1,389 | 11,010 | 2,936 | 287 | 5,381 | 257 | 13,678 | 52,306 |
| 1964 | 14,203 | 986 | 1,535 | 13,941 | 2,960 | 280 | 4,503 | 322 | 16,543 | 55,273 |
| 1965 | 20,628 | 1,018 | 2,795 | 12,346 | 2,672 | 255 | 4,432 | 327 | 24,766 | 69,239 |
| 1966 | 19,228 | 1,109 | 1,904 | 14,926 | 2,863 | 1,062 | 5,852 | 416 | 31,859 | 79,220 |

Source: Federal Agencies' Field Offices.

Federal Agency Interior - BLM

Program All

State California

TABLE NO. C-7a

FEDERAL RESOURCE PROGRAM EXPENDITURE
(Thousands of Dollars)

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-Forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1959 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1960 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1961 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1962 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1963 | 574,800 | 255,300 | 500,400 | 40,600 | 10,100 | 0 | 0 | 6 | 1,939,300 | 3,616,500 |
| 1964 | 578,100 | 311,700 | 505,000 | 301,800 | 12,000 | 0 | 12,000 | 0 | 2,217,100 | 4,052,700 |
| 1965 | 574,800 | 314,600 | 547,000 | 478,300 | 196,500 | 0 | 193,500 | 0 | 1,755,500 | 4,655,500 |
| 1966 | 580,000 | 215,700 | 501,300 | 625,800 | 162,600 | 0 | 311,100 | 7,200 | 2,266,500 | 4,668,200 |

Source: Federal Agencies' Field Offices.

Federal Agency Bureau of Sport Fisheries & Wildlife

Program Migratory Bird

State California

TABLE NO. C-7a

Page 3 of 6

FEDERAL RESOURCE PROGRAM EXPENDITURE
(Thousands of Dollars)

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 6,050 | $ 13,300 | $ 5,400 | $ 7,950 | $ 0 | $ 5,500 | $ 33,800 | $ 410,195 | $ 1,000 | $ 483,195 |
| 1958 | 4,900 | 11,200 | 4,250 | 6,900 | 0 | 4,350 | 27,000 | 358,400 | 11,000 | 428,000 |
| 1959 | 3,600 | 8,700 | 2,850 | 5,800 | 0 | 3,000 | 18,900 | 475,039 | 11,000 | 528,889 |
| 1960 | 7,250 | 16,200 | 6,000 | 9,850 | 0 | 6,250 | 38,800 | 449,575 | 8,000 | 541,925 |
| 1961 | 6,900 | 15,700 | 5,600 | 11,850 | 0 | 6,000 | 37,800 | 482,050 | 0 | 565,900 |
| 1962 | 7,800 | 17,400 | 6,400 | 20,450 | 0 | 7,600 | 42,600 | 585,150 | 0 | 687,400 |
| 1963 | 18,350 | 45,200 | 16,900 | 41,850 | 0 | 18,100 | 106,600 | 2,662,129 | 0 | 2,909,129 |
| 1964 | 16,450 | 48,600 | 14,900 | 42,450 | 0 | 17,550 | 97,300 | 594,025 | 0 | 831,275 |
| 1965 | 14,850 | 47,800 | 13,400 | 30,850 | 0 | 17,240 | 91,300 | 651,110 | 500 | 867,050 |
| 1966 | 14,900 | 56,300 | 13,400 | 36,950 | 0 | 17,620 | 148,900 | 652,480 | 240,200 | 1,180,750 |

Source: Federal Agencies' Field Offices.

Federal Agency Corps of Engineers

Program Flood Control

State California

TABLE NO. C-7a

Page 4 of 6

FEDERAL RESOURCE PROGRAM EXPENDITURE
(Thousands of Dollars)

IE-17

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1959 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1960 | NA | NA | NA | NA | NA | NA | NA | NA | 345,154 | 345,154 |
| 1961 | NA | NA | NA | NA | NA | NA | NA | NA | 418,695 | 418,695 |
| 1962 | NA | NA | NA | NA | NA | NA | NA | NA | 904,364 | 904,364 |
| 1963 | NA | NA | NA | NA | NA | NA | NA | NA | 999,177 | 999,177 |
| 1964 | NA | NA | NA | NA | NA | NA | NA | NA | 860,028 | 860,028 |
| 1965 | NA | NA | NA | NA | NA | NA | NA | NA | 1,333,217 | 1,333,217 |
| 1966 | NA | NA | NA | NA | NA | NA | NA | NA | 1,279,720 | 1,279,720 |

Source: Federal Agencies' Field Offices.

Federal Agency Bureau of Reclamation

Program Klamath Project

State California

TABLE NO. C-7a

FEDERAL RESOURCE PROGRAM EXPENDITURE
(Thousands of Dollars)

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ 197,450 | $ 197,450 |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | 152,020 | 152,020 |
| 1959 | NA | NA | NA | NA | NA | NA | NA | NA | 180,235 | 180,235 |
| 1960 | NA | NA | NA | NA | NA | NA | NA | NA | 244,420 | 244,420 |
| 1961 | NA | NA | NA | NA | NA | NA | NA | NA | 644,435 | 644,435 |
| 1962 | NA | NA | NA | NA | NA | NA | NA | NA | 664,675 | 664,675 |
| 1963 | NA | NA | NA | NA | NA | NA | NA | NA | 380,490 | 380,490 |
| 1964 | NA | NA | NA | NA | NA | NA | NA | NA | 146,410 | 146,410 |
| 1965 | NA | NA | NA | NA | NA | NA | NA | NA | 227,315 | 227,315 |
| 1966 | NA | NA | NA | NA | NA | NA | NA | NA | 198,440 | 198,440 |

Source: Federal Agencies' Field Offices.

5F-32

Federal Agency Bureau of Reclamation

Program Trinity River Basin Project

State California

TABLE NO. C-7a

Page 6 of 6

FEDERAL RESOURCE PROGRAM EXPENDITURE
(Thousands of Dollars)

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ 8,667,500 | $ 8,667,500 |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | 30,530,700 | 30,530,700 |
| 1959 | NA | NA | NA | NA | NA | NA | NA | NA | 39,016,200 | 39,016,200 |
| 1960 | NA | NA | NA | NA | NA | NA | NA | NA | 39,345,900 | 39,345,900 |
| 1961 | NA | NA | NA | NA | NA | NA | NA | NA | 35,735,100 | 35,735,100 |
| 1962 | NA | NA | NA | NA | NA | NA | NA | NA | 43,484,500 | 43,484,500 |
| 1963 | NA | NA | NA | NA | NA | NA | NA | NA | 31,362,800 | 31,362,800 |
| 1964 | NA | NA | NA | NA | NA | NA | NA | NA | 7,914,100 | 7,914,100 |
| 1965 | NA | NA | NA | NA | NA | NA | NA | NA | 3,835,300 | 3,835,300 |
| 1966 | NA | NA | NA | NA | NA | NA | NA | NA | 10,076,300 | 10,076,300 |

Source: Federal Agencies' Field Offices.

Federal Agency US Forest Service

Revenue Sharing Program National Forests (25%)[a]

State California

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 x a/) |
|---|---|---|---|---|---|
| 1957 | $ 18,608,880 | $ 2,638,000 | $ 15,970,880 | $ 3,992,720 | $ 659,500 |
| 1958 | 13,705,368 | 1,903,000 | 11,802,368 | 2,950,592 | 475,750 |
| 1959 | 18,479,968 | 2,560,000 | 15,919,968 | 3,979,992 | 640,000 |
| 1960 | 27,037,580 | 3,834,000 | 23,203,580 | 5,800,895 | 958,500 |
| 1961 | 12,443,004 | 1,671,000 | 10,772,004 | 2,693,001 | 417,750 |
| 1962 | 14,526,752 | 1,964,000 | 12,562,752 | 3,140,688 | 491,000 |
| 1963 | 17,908,216 | 2,630,000 | 15,278,216 | 3,819,554 | 657,500 |
| 1964 | 23,895,396 | 3,134,000 | 20,761,396 | 5,190,349 | 783,500 |
| 1965 | 23,659,440 | 3,414,000 | 20,245,440 | 5,061,360 | 853,500 |
| 1966 | 28,465,429 | 3,925,393 | 24,540,036 | 6,135,009 | 981,348 |

Source: Federal Agencies' Field Offices.

# CASE STUDY DIGEST
# COLORADO

## I. The State

a. General Description: The State of Colorado is the seventh largest in size, ranks 33rd in population and 42nd in population density. Thus, Colorado, with its mountainous topography, is one of the largest states in the Union and one of the least populated. There are 63 counties in the state, within which there are 253 municipalities, 180 school districts and 566 special districts.

The dominant unit of local government is the county which provides for the major administrative, assessment and tax collection functions within the county and, for the most part, for the other units of local government located within the boundaries of the county. The functions of the county are generally provided for by state enabling statutes which have recognized the dominance of county government as the local unit of government. The only exception in the state is the city of Denver, the state capital, which is both a municipality and a county.

The Colorado state legislature is a moderate-sized body in which the less populated rural areas have greater representation than the state's urban areas. The part-time legislators do not have any substantial staffs or consultant assistance, and much of their work is done through an Office of Legislative Counsel which provides a substantial amount of staff assistance to legislative committees. In addition, recently the legislature created a State Division of Local Government and a Planning Coordinator in the Governor's office.

Another important body of state government worthy of mention in context with this study is the State Board of Land Commissioners whose function it is to administer specific lands owned by the state which are held in trust for specific funds such as the State School Fund, Penitentiary Fund, and others. Revenues derived from such lands through leases, sales and other market activities are distributed to the specific funds for which the land is held. With only one exception, the statute applying to the Colorado State Forest, no revenues obtained from state lands are rebated to the counties or towns in which the lands are located. The exception mentioned provides that 25% of all grazing rentals derived from about 77%

of the land within the Colorado State Forest, which consists of school trust lands, shall be rebated to the two counties (Jackson and Larimer) for their school funds.

Otherwise, the structure of state government does not appear to differ from that of other states. In respect to taxation, the Colorado Tax Commission is considered to be an able and powerful agency. It exercises regulatory control over the counties and properties assessed by itself. The latter are comprised of utilities including transportation companies, pipeline carriers and miscellaneous utilities such as domestic water companies, irrigation companies, the Denver Tramway Corporation, and others.

The state's primary activities fall broadly into the following six areas: education, comprised of the maintenance of state colleges and universities; supervision and rendition of financial assistance to public schools and libraries, health, welfare and rehabilitation, comprised of maintenance of state hospital, medical and nursing home care for the aged; provision of subsistence living standards for the needy, state training programs for the disabled and aid to local hospital; medical care and welfare services; highway construction and maintenance, comprised of the improvement in the state multi-lane highway system; the completion of the Interstate highway system within the state; assistance in the planning, design and construction of roads and bridges within the local (county, city) road system; institutions, provision of institutional care for the mentally ill and mentally retarded; penal and correctional institutions and homes for dependent children; recreation, planning and administering a variety of state, state-local, and federally owned recreational facilities; regulatory and scientific activities, advice, assistance and regulation of activities in the fields of agriculture, mining, business, health, recreation and law.

Counties, cities and towns provide police protection, fire protection, water supply and sanitation facilities, library services, highway, road and street construction and improvements and, in some instances, hospital services. Only the counties provide extensive legal services through their courts and sheriffs' offices, maintain legal records through the offices of the county clerks, and act as direct agents of the state and Federal governments in matters of agricultural science, health and general welfare.

The school districts in the state provide public education for children from ages six to eighteen. Finally, the various special districts provide management and public services in their various functional areas, including water conservation or conservancy, sanitation, cemetery, fire protection, and others. Several of the special and school districts, as the result of consolidation, have been eliminated and/or incorporated with others so that the numbers reported herein, taken from the most recently available Bureau of the Census publications, do not reflect the precise situation as of the time of this report.

b. Vital Statistics: Following are the vital statistics for the entire state:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percentage Change |
|---|---|---|---|---|---|---|---|
| Population (000) | 1960 | 1 | 1,754 | 1966 | 6 | 1,955 | 11.5 |
| Urban 1/ | 1960 | 1 | 1,293 | 1966 | 6 | 1,466 | 13.4 |
| Rural | 1960 | 1 | 461 | 1966 | 6 | 489 | 6.1 |
| Employment (000) | 1959 | 2 | 515 | 1966 | 2 | 623 | 21.0 |
| Personal Income ($000,000) | 1960 | 3 | 4,022 | 1966 | 3 | 5,700 | 41.7 |
| Per Capita Income ($) | 1960 | 3 | 2,275 | 1966 | 3 | 2,916 | 28.2 |
| Public School Enrollment (5-17) | 1960 | 5 | 392,257 | 1965 | 5 | 498,473 | 27.1 |

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1/ Includes areas of 2,500 people or more.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. U. S. Bureau of Labor Statistics, Employment and Earnings Statistics for States and Areas, Nonagricultural Employment, Bulletin 1370-4, July, 1967.
3. U. S. Department of Commerce, Office of Business Economics, Survey of Current Business, August, 1967.
4. U. S. Bureau of the Census, Current Population Reports, Series P-25, No. 373.
5. U. S. Department of Health, Education, and Welfare, Office of Education, Fall 1960 Enrollment, Teachers and Schoolhousing, and Fall 1966 Statistics of Public Schools.
6. Estimated by using data on urban and total population in Sales Management Magazine, Survey of Buying Power, June 10, 1967.

These figures indicate growth in all categories during the period. While total state population has grown by over [illegible]%, this growth has been concentrated, for the most part, in urban and nonpublic land intense parts of the state. In the 10 case counties, for example, the total population growth was under [illegible]%, composed of over [illegible]% growth in the urban population and over [illegible]% decline in the rural population. In a like manner, employment for the state as a whole increased by almost [illegible]% while in the same 10 case counties it increased by only [illegible]%.

Per capita income for the entire state reached a level of $[illegible] in 1966 while in the 10 case counties, despite a [illegible]% increase over the 1960 figure, it reached only about $[illegible]. These figures indicate that the state's growth in all respects has been most pronounced in its urban areas.

4. The Land: The state has a total land area of over [illegible] million acres of which over [illegible]% are in Federal ownership. Total Federal land in the state, as of 1966, exceeded [illegible] million acres. Of these, over [illegible] million acres are lands within the purview of Section 10 of Public Law 88-606. From among the total Federal land holdings, the following were subject to revenue sharing programs in 1966:

| | |
|---|---|
| Forest Service (FS) | |
| National Forests and Grasslands | [illegible] acres |
| Bureau of Land Management (BLM) | |
| Grazing Districts, [illegible] | [illegible] acres |
| Bureau of Sport Fisheries & Wildlife (BSFW) | |
| Wildlife Refuges | [illegible] acres |
| Corps of Engineers (C of E) | |
| Flood Control Projects | [illegible] acres |
| Total | [illegible] acres |

The acreage to which RS programs are applicable, as detailed above, also contains almost [illegible] million acres [illegible] which there are mineral leases and which are part of the identified grazing districts. The almost [illegible] million acres of RS-subject lands represent over [illegible]% of the total state acreage.

The only other large Federal land holdings in the state for which there are no current PILT or RS programs are some [illegible] acres under the management of the National Park Service, [illegible] acres under the jurisdiction of the Bureau of Reclamation, and [illegible] acres under the control of the Department of the Army. These other Federal lands account for approximately [illegible]% of the total state land area.

## II. State Finance

a. General: The State of Colorado operates on a fairly broad tax base which provides for a variety of taxes including sales and gross receipts, license, individual income, corporation income, and other miscellaneous taxes and revenues. Until 1964 the state levied a state property tax, applicable to all types of property assessed for property taxation by any unit of local government. In addition, the State Tax Commission-assessed properties, primarily those of utility companies, were subject to property taxes assessed and collected by said tax commission. In order to cease competing for property taxes with local units of government, and to discontinue the practice of double taxation of utility companies, the state gradually phased out the general state property tax. As of 1966, no such tax had been collected and only certain small levies for special state funds, such as the Predatory Animal Fund and the Mining Industrial Development Fund, had been assessed upon a very narrow base of property. However, the state property tax on state-assessed properties was continued, and since 1966 has accounted for almost all of the state's property tax revenues.

i. State Taxes: A listing of state taxes and the authority for their imposition is contained in the summary at the end of this digest. The Department of Taxation reporting to the Tax Commission administers all state taxes.[1] This department, acting either singularly or in connection with the various commissions,[2] e.g. the Inheritance and Public Utilities Commission, enforces the administration and/or collects the various state taxes. The distribution of major state taxes to other units of government is described in the following subsection. The state's appraisal division, acting on behalf of the Tax Commission, is engaged in a four-pronged program of aiding in the rural land classification program by training assessors, research, and the publication of manuals, enforcing the state-wide equalization program under which all properties are to be assessed at 30% of actual value, and the conduct of assessors' schools.

ii. Local Revenues and Taxes: State aid is extended to the subdivisions either by direct state assistance payments out of the State General Fund or by sharing receipts from state taxes and governmental operations with the local taxing districts. In the latter category, the state aircraft,[3] and motor vehicle taxes[4] are distributed among the counties; 50% of the fines collected with respect to fish and game lands, state parks,[5] state toll roads[6] and the violation of Colorado statutes within the jurisdiction of any municipality[7] are distributed among the local units in which the violations occurred; and 25% of the revenues from the sale of state forest products are returned to the county of origin.[8]

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[1] COLO.REV.STAT. CRS. ch. 137 § 5-21 (1963).
[2] Id. at ch. 138 § 10-6.

State assistance to local governments often takes the form of direct aid programs. The most extensive of these is the state assistance to education program providing school districts an equalization payment[9] and the reimbursement of school transportation costs.[10]

Within the public health and welfare programs, counties receive grants for public welfare,[11] reimbursement for 80% of their expenditures for the care of needy disabled persons,[12] 50% of the counties' expenditures for the care of tubercular patients,[13] and payments for care of dependent children and the blind.[14]

All the local units of government are authorized to levy property taxes.[15] Some taxing units are permitted to impose cigarette[16] and sales taxes[17] as well. All municipalities are enabled to collect dog license fees.[18]

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[3] *Id.* at ch. 5 § 3-9.
[4] *Id.* at ch. 13 § 3-3.
[5] *Id.* at ch. 62 § 21-14.
[6] *Id.* at ch. 120 § 9-8.
[7] *Id.* at ch. 139 § 49-6.
[8] *Id.* at ch. 122 § 7-11.
[9] *Id.* at ch. 123 § 6-11.
[10] *Id.* at ch. 123 § 10-34.
[11] *Id.* at ch. 119 § 1-5.
[12] *Id.* at ch. 119 § 6-22.
[13] *Id.* at ch. 119 § 2-17.
[14] *Id.* at ch. 119 § 3-3.
[15] *Id.* at ch. 89 § 4-13.
[16] *Id.* at ch. 138 § 8-13.
[17] *Id.* at ch. 138 §§ 10-2, 10-4.
[18] *Id.* at ch. 36 §§ 12-1, 12-2.

b. **Revenues and Expenditures:** Tables Nos. C-1 and C-1a contain 10-year data for state government receipts by major source and function. During the 10-year study period total state receipts increased by over 140%. While the 1966 collection of property taxes was only 21% of the 1957 revenue from this source, total taxes for the last year were more than twice those collected in the first year. The $323 million of nonproperty taxes collected in 1966 were comprised of the following:

| | (Millions) |
|---|---|
| Sales and Gross Receipts | $183 |
| Licenses | 36 |
| Individual Income | 70 |
| Corporation Income | 24 |
| Miscellaneous Taxes | 10 |

Receipts from the Federal government, which include revenue sharing, almost tripled during this period. However, as will be shown in the next section, the receipts from revenue sharing by the state and all units of local government declined during the 10-year period.

Table No. C-1a reflects the increase in selected state taxes as a percent of EBI and per capita. Of course, as a result of the change in state property tax policy, this burden has been substantially reduced. Nevertheless, total state taxes per capita rose by over 67% though in 1966 they were at the relatively low level of 8% of EBI.

Table No. C-2 contains 10-year data for state expenditures. The state's total disbursements increased at a rate of 119% over the study period. The largest rate of increase was for education expenditures which more than tripled while disbursements to local governments increased by only 75%; however, the latter accounts for the largest single component of total state expenditures.

c. Property Tax: Table No. C-3 contains 10-year data for property assessed for the levy of state property taxes. As already mentioned, the change in state policy resulted in a substantial reduction in the state property tax collection and, of the total assessed value for the entire state of $4.7 billion in 1966, only $473.3 million were subject to state property tax. Beginning in 1957 the state mill rate declined and prior to the abolition of the general state property tax it reached a weighted average of 1.59 mills.

The figures in Table C-3 indicate a relatively small increase in the state-wide property tax base. The 1966 figures, including those properties which are no longer subject to state property tax, are only 34% larger than the 1957 base.

d. Bonded Indebtedness: Since 1957 the state's bonded indebtedness increased by almost $75 million, an increase of over 150%. Almost $60 million of the increased indebtedness was incurred for school purposes and some $13 million of increased indebtedness was incurred for state highways. Miscellaneous bonds accounted for the balance. The summary contains the figures for the 1966 outstanding bonded debt by categories; it should be noted that Colorado does not permit the issuance of general obligation bonds and that all of the issued and outstanding debt is non-guaranteed. The amount of outstanding revenue bonds and anticipation warrants as of June 30, 1966, exclusive of so-called dormitory and self-liquidating bond issues at the state universities and colleges was $37.8 million less $17.6 million of securities in escrow for a net debt of $20.2 million.[1]

Bonded Indebtedness, 1966[2]
(In Thousands)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Education | | $ 81,916 |
| Highways | | 36,741 |
| Other and unallocable | | 5,167 |
| Total | | $123,824 |

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs: The State of Colorado and its units of local government have obtained revenue sharing payments under the following programs: National Forest Fund, Migratory Bird Act, Mineral Leasing, State Public Lands and Taylor Grazing Act, Sections 3 and 15. In addition to these programs that apply to Section 10 lands, there are revenue sharing programs under the C of E civil projects and the FS national grasslands. By state statute, all RS payments are passed on to the counties in which the lands are located and from which these payments originated, with the exception of annual payments under the Mineral Leasing Act which exceed certain amounts. The ceiling for mineral leasing RS payments which may be passed on to the county in which the revenue originated was $200,000 until 1964 when it was raised to $300,000. As a result of this provision, two counties, Moffat and Rio Blanco, obtained, in each of the years after 1960, the specified maximum amount while the state retained the balance which, during this seven-year period, amounted to over $13.7 million.

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[1] Source: Fiscal Digest of the State Controller, 1966.
[2] Non-guaranteed debt, includes $3.3 million in short-term debt.

Table C-4 contains 10-year data for applicable acreage and payments by program and also subtotals reflecting the total payments from Section 10 and other public lands. With the exception of the payments under the Mineral Leasing Act, annual revenues were of relatively small magnitude. In 1966, the mineral leasing payments accounted for over 90% of the total payments. In 1957, payments under the Mineral Leasing Act accounted for 93% of the total payments. Only that share of the mineral leasing payments not passed on to the counties can be considered a direct benefit to the state. These entire mineral leasing revenues for 1966 amounted to 14.8¢ per acre of Section 10 land in the state. Overall, RS payments for Section 10 and other lands declined by about 23% over the 10-year period.

b. Value of Free Goods and Services: The state has obtained a small amount of free materials and the free use of rights-of-way furnished by the Forest Service and the Bureau of Land Management. It was estimated that the value of these free goods and services in 1966 were as follows:

| | |
|---|---|
| Forest Service (FS) | |
| Borrow Pit | $ 1,385 |
| Fish Hatcheries | 150 |
| Road Rights-of-Way | 30,700 |
| Bureau of Land Management (BLM) | |
| Gravel and Fill | 39,665 |
| Rip Rap and Flagstone | 515 |
| Total | $72,415 |

c. Federal Facilities and Services Having Joint Use: None of the land managing agencies reported the free use of any of their facilities and services by any agency of the state.

d. Sliding Scale Highway Aid Benefits: In each year of the 10-year study period the state obtained Federal highway aid payments which are attributable to the presence of public lands. Such payments were made under the Interstate Highway and the ABC Highway programs. The calculation of the sliding scale aid payments, based on the Federal land, exclusive of national forest, parks and monuments, has reflected an increase of about 3.5% in the Federal share for the ABC and 1.32% in the Federal share for the Interstate programs. The amounts obtained by the state as sliding scale grants for the 10-year period are shown in Table C-5. These figures reflect an upward trend in annual aid payments which is a function of the increase in the total highway program budgets.

e. Loss in Revenue As a Result of Sharing Net Versus Gross: Though the state has not been directly affected by the K-V Fund collections made by the Forest Service during the 10-year period, Table C-9 contains the appropriate figures which show the effects upon the recipient counties. As a result of the K-V Fund collections, the revenue share "lost" varied from a low of $38,000 in 1957 to a high of $159,000 in 1966. The latter figure is equal to 72% of the net payment to counties from the National Forest Fund in that year.

f. Resource Expenditures - Management: As part of routine land management activities the FS, BLM, BSF&W and the C of E have made considerable resource program expenditures in the state. Table C-7 contains a summary of the resource program expenditures for these four agencies for the 10-year period. It shows the steady increase in such expenditures, which more than tripled over the 10-year period. As shown in 1966, the combined expenditures of these agencies reached a new high of almost $21 million, a considerable sum when compared with the revenues generated from the lands pertaining to which these expenditures were made. However, it is understood that a significant part of these expenditures was incurred for expenditure categories which were not directly or even indirectly related to market goods types activities. A major expenditure item, over $5.3 million in 1966, is the expenditure for roads as reported by the FS. Though this may ultimately contribute to the marketability of national forest timber, it is obvious that this expenditure does not directly contribute to the revenues generated in the year of the expenditure. It appears proper to generalize that a major portion of these agencies' resource expenditures are made within the framework of multiple use concepts and, therefore, they cannot be equated or compared with the economic output from the lands benefited by these substantial expenditures. The land management agencies, in fact, confirmed that their resource program expenditures are not intended to maximize economic output but, rather, to obtain a balance between the varied objectives of their land management programs. Tables C-7a1, 2, 3, and 4 contain 10-year data for the resource program expenditures by agency and expenditure category, to the extent that such data are available. About 27% of these total expenditures were in capital categories.

The management activities of the agencies, referred to above, cover virtually every aspect of land management and there is considerable overlapping in the activities of the Forest Service and BLM. Both agencies, for the lands under their respective jurisdictions, engage in similar management activities such as watershed development, timber stand improvement, grazing land improvements, development and maintenance of recreation facilities, development of the wildlife habitat, and others. The activities of BSF&W and C of E are of a more restricted nature. The C of E, besides attending to the direct purposes of its projects, e.g. flood control, also engages in the development and maintenance of recreation facilities and the provision of game and hunting areas. The BSF&W, as part of its management of the game and wildlife refuges in the state, also provides for the development and maintenance of recreation facilities, watershed development, including the protection of water supply sources from pollution.

In summary, as in all other states studied during the course of this project, the activities of and approaches to land management by the Federal land management agencies in Colorado reflect their interpretations of a mission in which economic efficiency or revenue generation from the lands managed by them is but one of their many considerations. None of these agencies appears to be specifically guided in management approaches and activities by the existence of revenue sharing programs. The only exception which has been noted occurs infrequently at the county level. Counties which may have severe revenue deficiencies are, at times, benefited by actions of the land management agencies which will result in either the maintenance of a certain minimum level of annual revenue payments or which will attempt to increase such through a stimulation of economic activity upon applicable lands. An example of such action might be an additional timber sale which would otherwise have been deferred.

## IV. Burdens to State Government

a. Direct Burden: Despite a most comprehensive survey with the various departments of state government, it has not been feasible to identify specific financial burdens caused to the state by the presence of public land. It is not suggested here that such financial burdens necessarily exist simply because the state does not provide for a direct equalization for lost or reduced revenues by units of local government in public land intense counties. However, based on the experience obtained in the study of other states, it is indicated that Colorado might incur certain direct financial burdens, at least in such areas as state highway expenditures, resource development, fire protection and fighting and law enforcement.

Officials of state government have found no specific reason for the identification and accumulation of records of such financial burdens. The contention is that if such records were kept, while this effort in and by itself would cause an additional burden, the state could not expect to obtain any reimbursement for the identified financial burdens.

b. Indirect Burden: Prior to the liquidation of a general state property tax, an indirect burden was imposed upon the state by the presence of public land due to the loss of general property tax revenues. As stated previously in this digest, as of 1966 state property taxes are levied only on state assessed properties, which are known to include improvements located on Federal lands. It is understood that the State Tax Commission's assessment policy for such property may include the value of the land and, if this is true, the tax revenue obtained is equal to that obtained from like properties located on private lands, and no burden is suffered.

It is interesting to note that the loss of property taxes to local units of government in Colorado, due to the immunity of the Federal land to their taxation, is quite substantial. Applying estimates of land value to the various land categories and an average property tax rate of 57.39 mills results in an estimate of tax lost of $8.9 million, which is equal to 39¢/acre. Significantly, that estimated tax loss for the entire state is about 2-1/2 times the total RS payment for 1966 to the state, including all units of local government.

## V. Impact of the Present System

The direct impact from the presence of Federal land and the existing revenue sharing programs in the State of Colorado might be considered to be negligible and, to the extent that a direct financial burden may exist, it is more than likely offset by the RS payments from mineral leasing retained by the state. However, it is also quite obvious that in a state in which several of its political subdivisions suffer serious tax inequities, state grants and indirect assistance programs to such counties place a burden upon state finance. With the exception of the two counties which obtained substantial revenues under the Mineral Leasing Act, Moffat and Rio Blanco, all other Colorado case study counties with large Federal land holdings have been shown to obtain direct and indirect benefits from the Federal lands which, after deduction of the financial burdens incurred due to the presence of these lands, amount to substantially less than might be obtained if these lands were in private ownership. In fact, some of these counties -- such as Rio Grande, Summit and Montrose -- were shown to incur net burdens from the presence of public lands, e.g. their public land-associated expenditures have exceeded the revenues.

Some insight to the state's absorption of the financial burdens in public land intense counties can be gained from a comparative analysis of state expenditures in support of local services. Though it is not possible to associate precisely the cause for each type of financial burden, e.g. factors other than Federal land do in all likelihood play important roles, the analysis of selected state expenditures evidences the existence of such burdens in the public land intense areas of the state.

Applying the 1966 population estimates published by Sales Management, the following per capita expenditures were calculated for the state, the 10 case counties (10 Federal land intense counties subjected to specific study within the scope of this research project), and all other counties. The following results were obtained:

Per Capita State Expenditures for Selected Items, 1966

| | Aid to Public Schools[1/] | Roads and Highways | Health and Welfare[2/] | Three Programs Combined |
|---|---|---|---|---|
| State Average ($) | 33.18 | 8.26 | 46.42 | 87.86 |
| Non-Case Counties ($) | 32.00 | 7.11 | 44.14 | 83.25 |
| Case Counties (10) ($) | 48.19 | 22.99 | 75.73 | 146.91 |
| Ratio - Case Counties to State | 1.45 | 2.78 | 1.63 | 1.67 |

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1/ Exclusive of aid for education of handicapped children.

2/ Includes old age pension, old age pension health and medical, and other assistance for the aged, and other welfare expenditures.

Source: State of Colorado, 1966 Fiscal Digest of the State Controller.

The above figures clearly demonstrate the greater financial burden imposed upon the state by the public land intense counties. The counties receiving substantial mineral leasing revenues fall above and below the average for the 10 case counties. In Moffat the per capita contribution for all three categories was $161.26 while for Rio Blanco it was $102.05; both, however, are above the non-case county and state averages.

As mentioned before, state administrators are aware of the revenue deficiency incurred in practically all public land intense counties. However, state financial administration has had no reason in the past to study and/or identify costs at the state level incurred directly or indirectly due to the presence of public lands.

During the course of interviews with various state and local government officials it appeared evident that the relative inadequacy of revenue sharing payments, as compared with the various Federal grants, is recognized. Just how great the imbalance is might be highlighted with the following concluding analysis. Grants-in-aid from the U. S. government for the state and its subordinated units were reported to be $104 million in 1961, $139 million in 1965, and $161 million in 1966; on an absolute and a per capita basis, these figures reflect substantial increases. The 1965 per capita payment of $71.41 is 25.7% more than the 1957 per capita amount; 1966 reflects a further increase to $82.60 per capita, 145.4% of the 1957 figure. While the foregoing payment amounts are those reported by the state, the figures contained in the report of the Treasury indicate even greater payments: $38.59 per capita in 1957 and $91.80 per capita in 1966. The rate of increase derived from that source is slightly less, namely 137.9%. Conversely, and as mentioned earlier in Section III.a. of this digest, the revenues shared from Section 10 and also non-Section 10 lands declined during the 10-year period to about 75% of their 1957 levels. During this period, the Section 10 lands increased by about 450,000 acres and the non-Section 10 lands remained unchanged.

Note: Tables No. C-6 and C-8 are not included in this digest. The information otherwise in Table No. C-6 is contained in Section III. b. Table No. C-8 is inapplicable.

## COLORADO
## SUMMARY OF STATE TAXES AND TAXING AUTHORITY

| Tax | Citation |
|---|---|
| Property Tax | CRS Ch. 137 § 8-1 |
| Income Tax | CRS Ch. 138 § 1-49 |
| Motor Fuel Tax | CRS Ch. 138 § 2-2 |
| Gift Tax | CRS Ch. 138 § 4-1 |
| Inheritance Tax | CRS Ch. 138 § 3-6 |
| Sales and Use Tax | CRS Ch. 138 § 5-33 |
| Cigarette Tax | CRS Ch. 138 § 8-3 |
| Insurance Tax | CRS Ch. 72 § 1-14 |
| Alcoholic Beverage Tax | CRS Ch. 75 §§ 2-17, 2-25 |
| Oleomargarine Tax | CRS Ch. 7 § 6-17 |
| Corporate Franchise Tax | CRS Ch. 31 § 10-4 |
| Motor Vehicle Tax | CRS Ch. 13 § 3-3 |
| Chain Store Tax | CRS Ch. 85 § 3-5 |
| Aircraft Tax | CRS Ch. 5 § 3-5 |
| Coal License Tax | CRS Ch. 92 § 11-1 |
| Public Utility Tax | CRS Ch. 115 § 2-11 |
| Common Carrier Tax | CRS Ch. 115 § 10-5 |
| Private Motor Carrier Tax | CRS Ch. 115 § 11-8 |
| Pari-Mutual Tax | CRS Ch. 129 § 2-11 |

TABLE NO. C-1

## STATE GOVERNMENT RECEIPTS BY SOURCE
(Thousands of Dollars)

STATE: Colorado

| Year | Total Property Tax | Total Taxes | Taxes and Revenues | Receipts from Federal Government | Total Receipts |
|---|---|---|---|---|---|
| 1957 | $ 12,049 | $ 153,255 | $ 207,773 | $ 60,957 | $ 268,730 |
| 1958 | 12,449 | 165,414 | 228,139 | 83,747 | 311,886 |
| 1959 | 12,908 | 182,754 | 250,425 | 88,690 | 339,115 |
| 1960 | 10,646 | 192,542 | 269,059 | 88,949 | 358,008 |
| 1961 | 9,334 | 219,835 | 304,720 | 91,089 | 395,809 |
| 1962 | 7,233 | 234,432 | 334,772 | 100,639 | 435,411 |
| 1963 | 6,855 | 231,934 | 345,035 | 111,123 | 456,158 |
| 1964 | 6,674 | 247,122 | 363,663 | 120,793 | 484,456 |
| 1965 | 6,515 | 268,175 | 396,497 | 146,467 | 542,964 |
| 1966 | 2,562 | 325,776 | 467,726 | 178,132 | 645,858 |
| % Change 1957-1966 | (78.8) | 112.6 | 125.1 | 192.2 | 140.3 |

Source: Compendium of State Government Finances, U.S. Department of Commerce - Bureau of the Census, 1957 to 1966.

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## TABLE NO. C-1a

## STATE TAXES PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME, 1957 AND 1966

STATE Colorado

| YEAR | Total State Taxes ($000)1/ | | | | | State Property Taxes | | Total State Taxes | |
|---|---|---|---|---|---|---|---|---|---|
| | Total Sales & Gross Receipts (1) | Individual Income (2) | Property (3) | Other2/ (4) | Total (5) | % of EBI (6) | Per Capita ($) (7) | % of EBI (8) | Per Capita ($) (9) |
| 1957 | 84,883 | 23,188 | 12,049 | 28,736 | 148,856 | 0.4 | 7.22 | 5.4 | 89.15 |
| 1966 | 184,594 | 70,287 | 2,600 | 43,536 | 301,017 | 0.1 | 1.29 | 6.0 | 149.00 |

1/ Excludes corporation net income taxes.

2/ Includes license, death & gift, severance, poll, document and stock transfer and other taxes.

Sources: Cols. (1), (2), (3), (4), (5): Compendium of State Government Finances, U.S. Bureau of the Census, 1957 and 1966.

Cols. (6), (7), (8), (9): Derived by using Effective Buying Income and Population series in the Survey of Buying Power, Sales Management, 1958 and 1967.

TABLE NO. C-2

## STATE GOVERNMENT DISBURSEMENTS BY MAJOR CATEGORIES
(Thousands of Dollars)

STATE Colorado

| Year | Education Expenditures | Highway Expenditures | Other State Expenditures | Total State Expenditures | Disbursements to Local Government Agencies | Total Disbursements |
|---|---|---|---|---|---|---|
| 1957 | $ 43,727 | $ 54,244 | $ 58,521 | $ 156,492 | $ 112,929 | $ 269,421 |
| 1958 | 49,641 | 71,442 | 72,778 | 193,861 | 116,584 | 310,445 |
| 1959 | 51,320 | 71,899 | 82,623 | 205,842 | 123,484 | 329,326 |
| 1960 | 56,705 | 57,111 | 91,859 | 205,675 | 126,526 | 332,201 |
| 1961 | 63,131 | 62,440 | 103,504 | 229,075 | 140,319 | 369,394 |
| 1962 | 79,018 | 59,645 | 111,734 | 250,397 | 145,755 | 396,152 |
| 1963 | 98,187 | 67,333 | 136,871 | 302,391 | 151,508 | 453,899 |
| 1964 | 110,677 | 78,243 | 136,093 | 325,013 | 157,038 | 482,051 |
| 1965 | 123,361 | 92,947 | 148,590 | 364,898 | 158,951 | 523,849 |
| 1966 | 137,838 | 97,475 | 157,038 | 392,351 | 197,070 | 589,421 |
| % Change 1957-1966 | 215.2 | 79.7 | 168.3 | 150.7 | 74.5 | 118.8 |

Source: Compendium of State Government Finances, U.S. Department of Commerce - Bureau of the Census, 1957 to 1966.

State Colorado

TABLE NO. C-3

ASSESSED VALUE AND TAX RATE[2] OF REAL PROPERTY BY LAND CLASS
(Thousands of Dollars)

| Year | (1) Residential | (2) Commercial, Industrial | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. | (6) Personal | (7) Total Assessed Value |
|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $1,198,700 | $ 422,300 | $ 370,600 | $ 446,000 | $ 174,200 | $ 536,900 | $3,148,700 |
| Aver. Tax Rate 3.83 mills | | | | | | | |
| Item % of Total | 38.1 | 13.4 | 11.8 | 14.2 | 5.5 | 17.0 | 100.0 |
| 1958 Assessed Value | 1,233,800 | 451,600 | 382,800 | 477,900 | 159,700 | 575,900 | 3,281,700 |
| Aver. Tax Rate 3.79 mills | | | | | | | |
| 1959 Assessed Value | 1,296,200 | 490,800 | 391,100 | 477,500 | 160,700 | 605,900 | 3,422,200 |
| Aver. Tax Rate 3.77 mills | | | | | | | |
| 1960 Assessed Value | 1,393,500 | 502,800 | 394,500 | 490,600 | 163,900 | 636,900 | 3,582,200 |
| Aver. Tax Rate 2.97 mills | | | | | | | |
| 1961 Assessed Value | 1,471,500 | 530,200 | 400,500 | 487,900 | 174,400 | 634,100 | 3,698,600 |
| Aver. Tax Rate 2.52 mills | | | | | | | |
| 1962 Assessed Value | 1,525,300 | 587,700 | 420,900 | 481,100 | 171,700 | 623,700 | 3,810,400 |
| Aver. Tax Rate 1.90 mills | | | | | | | |
| 1963 Assessed Value | 1,605,200 | 614,800 | 434,400 | 497,700 | 149,900 | 621,400 | 3,923,400 |
| Aver. Tax Rate 1.75 mills | | | | | | | |
| 1964 Assessed Value | 1,683,900 | 638,000 | 455,100 | 508,900 | 146,400 | 554,600 | 3,986,900 |
| Aver. Tax Rate 1.67 mills | | | | | | | |
| 1965 Assessed Value | 1,740,600 | 663,800 | 460,400 | 531,800 | 137,100 | 554,700 | 4,088,400 |
| Aver. Tax Rate 1.59 mills | | | | | | | |
| 1966 Assessed Value[1] | 1,718,400 | 866,300 | 473,300 | 434,000 | 160,700 | 579,000 | 4,232,100 |
| Aver. Tax Rate 5.50 mills | | | | | | | |
| Item % of Total | 40.5 | 20.5 | 11.2 | 10.3 | 3.8 | 13.7 | 100.0 |
| Increase/Decrease '66 vs. '57 | 43.4 | 105.1 | 27.7 | (2.6) | (7.8) | 7.8 | 34.4 |

[1] Assessed value represents 30 percent of actual market value in 1966.

[2] For period 1957-1965 weighted average mill rate applicable to state property taxes collected by counties for the state and taxes collected directly by the state; for 1966 average mill rate applicable to public utility assessment only.

Source: Annual Report of the Colorado Tax Commission, 1957-1966.

5-19

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4B
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 261252 | 331481 | 427765 | 391964 | 277912 | 194999 | 236981 | 211611 | 196259 | 220494 |
| PERCENT BASE YEAR | 100.0 | 126.9 | 163.7 | 150.0 | 106.4 | 74.6 | 90.7 | 81.0 | 75.1 | 84.4 |
| PROGRAM ACREAGE | 13725704 | 13723042 | 13722633 | 13714353 | 13710311 | 13703438 | 13712352 | 13718164 | 13729989 | 13724668 |
| REVENUE $ PER ACRE | 0.02 | 0.02 | 0.03 | 0.03 | 0.02 | 0.01 | 0.02 | 0.02 | 0.01 | 0.02 |
| MIGRATORY BIRD ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 1515 | 2895 | 1550 | 2116 | 1886 | 2650 | 2835 | 3295 | 3183 | 19405 |
| PERCENT BASE YEAR | 100.0 | 191.1 | 102.3 | 139.7 | 124.5 | 174.9 | 187.1 | 217.5 | 210.1 | 1280.9 |
| PROGRAM ACREAGE | 7703 | 10304 | 10464 | 11581 | 12401 | 13032 | 13514 | 15448 | 17237 | 22397 |
| REVENUE $ PER ACRE | 0.20 | 0.28 | 0.15 | 0.18 | 0.15 | 0.20 | 0.21 | 0.21 | 0.18 | 0.87 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 4432752 | 4235127 | 3634026 | 3432944 | 3326412 | 3246704 | 3321127 | 3486058 | 3218431 | 3258222 |
| PERCENT BASE YEAR | 100.0 | 95.5 | 82.0 | 77.4 | 75.0 | 73.2 | 74.9 | 78.6 | 72.6 | 73.5 |
| PROGRAM ACREAGE | 9624109 | 10169107 | 10418341 | 10521313 | 9706808 | 8913938 | 8015404 | 7227656 | 6329400 | 5983811 |
| REVENUE $ PER ACRE | 0.46 | 0.42 | 0.35 | 0.33 | 0.34 | 0.36 | 0.41 | 0.48 | 0.51 | 0.54 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 9133 | 8935 | 11509 | 28106 | 9177 | 11268 | 8881 | 6655 | 6642 | 10068 |
| PERCENT BASE YEAR | 100.0 | 97.8 | 126.0 | 307.7 | 100.5 | 123.4 | 97.2 | 72.9 | 72.7 | 110.2 |
| PROGRAM ACREAGE | 34956 | 40919 | 22109 | 43710 | 24333 | 33411 | 13174 | 14981 | 23843 | 8861 |
| REVENUE $ PER ACRE | 0.26 | 0.22 | 0.52 | 0.64 | 0.38 | 0.34 | 0.67 | 0.44 | 0.28 | 1.14 |
| TAYLOR GRAZE SECT 15 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 9447 | 9400 | 9036 | 11645 | 8619 | 8098 | 8422 | 10753 | 11263 | 11878 |
| PERCENT BASE YEAR | 100.0 | 99.5 | 95.6 | 123.3 | 91.2 | 85.7 | 89.1 | 113.8 | 119.2 | 125.7 |
| PROGRAM ACREAGE | 538631 | 582424 | 545479 | 527977 | 506896 | 479885 | 469174 | 459693 | 501070 | 446951 |
| REVENUE $ PER ACRE | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.03 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 10473 | 13166 | 14939 | 15114 | 12596 | 12878 | 16368 | 17159 | 16313 | 18286 |
| PERCENT BASE YEAR | 100.0 | 125.7 | 142.6 | 144.3 | 120.3 | 123.0 | 156.3 | 163.8 | 155.8 | 174.6 |
| PROGRAM ACREAGE | 7389281 | 7391131 | 7436266 | 7490345 | 7484702 | 7481865 | 7487141 | 7502831 | 7508956 | 7937641 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 4724572 | 4601004 | 4098827 | 3881889 | 3636602 | 3476597 | 3594614 | 3735531 | 3452091 | 3538353 |
| PERCENT BASE YEAR | 100.0 | 97.4 | 86.8 | 82.2 | 77.0 | 73.6 | 76.1 | 79.1 | 73.1 | 74.9 |
| PROGRAM ACREAGE | 21696275 | 21747820 | 21737151 | 21787966 | 21738643 | 21711631 | 21695355 | 21711117 | 21781095 | 22140538 |
| REVENUE $ PER ACRE | 0.22 | 0.21 | 0.19 | 0.18 | 0.17 | 0.16 | 0.17 | 0.17 | 0.16 | 0.16 |

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

# PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-4C
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO | | | | | | | | | | |
| NATL GRASSLANDS (USDA) | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 30962 | 30047 | 32041 | 30321 | 24860 | 22786 | 39638 | 31868 | 22736 | 28246 |
| PERCENT BASE YEAR | 100.0 | 97.0 | 103.5 | 97.9 | 80.3 | 73.6 | 128.0 | 102.9 | 73.4 | 91.2 |
| PROGRAM ACREAGE | 638459 | 637004 | 636092 | 635953 | 621354 | 621354 | 612596 | 612530 | 627190 | 612530 |
| REVENUE $ PER ACRE | 0.05 | 0.05 | 0.05 | 0.05 | 0.04 | 0.04 | 0.06 | 0.05 | 0.04 | 0.05 |
| GSA SURPLUS PROPERTY | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 619 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 |
| PROGRAM ACREAGE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NA |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| FLOOD CONTROL PROGRAM | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 12262 | 12674 | 9956 | 7611 | 11939 | 11044 | 10986 | 10054 | 7728 | 8564 |
| PERCENT BASE YEAR | 100.0 | 103.4 | 81.2 | 62.1 | 97.4 | 90.1 | 89.6 | 82.0 | 63.0 | 69.8 |
| PROGRAM ACREAGE | NA | 25846 | 25839 | 25806 | 25806 | 25806 | 26204 | 26204 | 26204 | 26204 |
| REVENUE $ PER ACRE | 0.00 | 0.49 | 0.39 | 0.29 | 0.46 | 0.43 | 0.42 | 0.38 | 0.29 | 0.33 |
| FED. POWER COMISSION | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 615 | 546 | 524 | 510 | 552 | 494 | 543 | 506 | 439 | 479 |
| PERCENT BASE YEAR | 100.0 | 88.8 | 85.2 | 82.9 | 89.8 | 80.3 | 88.3 | 82.3 | 71.4 | 77.9 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 4768411 | 4644271 | 4141348 | 3920331 | 3673953 | 3510921 | 3645781 | 3777959 | 3482994 | 3576261 |
| PERCENT BASE YEAR | 100.0 | 97.4 | 86.8 | 82.2 | 77.0 | 73.6 | 76.5 | 79.2 | 73.0 | 75.0 |
| PROGRAM ACREAGE | 22334734 | 22410670 | 22399082 | 22449725 | 22385803 | 22358791 | 22334155 | 22349851 | 22434489 | 22779272 |
| REVENUE $ PER ACRE | 0.21 | 0.21 | 0.18 | 0.18 | 0.16 | 0.16 | 0.16 | 0.17 | 0.16 | 0.16 |

NA = data not available.

Revenues per acre in dollars have been truncated to the nearest cent; *i.e.*, $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

S2-21

TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO STATE

(In Thousands of Dollars)

STATE Colorado

| Year | Total Federal Highway Aid to State (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 28,877 | $ 1,728 |
| 1958 | 36,626 | 1,889 |
| 1959 | 49,664 | 2,754 |
| 1960 | 33,319 | 2,070 |
| 1961 | 27,272 | 1,902 |
| 1962 | 29,831 | 1,881 |
| 1963 | 42,713 | 1,831 |
| 1964 | 48,501 | 2,258 |
| 1965 | 49,857 | 2,312 |
| 1966 | 51,900 | 2,300 |

Source: U.S. Bureau of Public Roads, allocation by EBSMC.

## TABLE NO. C-7

State Colorado

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 5,211,658 | $ 1,615,446 | $ 6,827,104 |
| 1958 | 5,530,938 | 1,755,982 | 7,286,920 |
| 1959 | 6,326,361 | 2,056,414 | 8,382,775 |
| 1960 | 7,393,542 | 1,753,260 | 9,146,802 |
| 1961 | 8,439,173 | 2,292,203 | 10,731,376 |
| 1962 | 9,319,255 | 2,927,852 | 12,247,107 |
| 1963 | 10,724,389 | 4,496,680 | 15,221,069 |
| 1964 | 12,563,420 | 5,514,699 | 18,078,119 |
| 1965 | 13,585,344 | 5,988,847 | 19,574,191 |
| 1966 | 14,481,526 | 6,489,105 | 20,970,631 |
| Average Year | 9,357,561 | 3,489,048 | 12,846,609 |
| Item % of Total, Average Year | 72.8 | 27.2 | 100.0 |

Source: Federal Agencies' Field Offices.

Federal Agency U.S. Forest Service

Program National Forests

State Colorado

TABLE NO. C-7a

Page 1 of 4

FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 349,078 | $ 333,145 | $ 61,592 | $1,476,850 | $ 569,929 | $ 73,970 | $ 174,040 | $ 24,334 | $2,256,643 | $ 5,319,581 |
| 1958 | 229,806 | 694,783 | 92,227 | 1,724,334 | 677,662 | 38,846 | 854,518 | 28,545 | 1,623,496 | 5,964,217 |
| 1959 | 322,655 | 766,966 | 105,748 | 1,635,190 | 842,277 | 30,473 | 922,819 | 54,434 | 1,628,116 | 6,308,678 |
| 1960 | 310,643 | 802,838 | 95,573 | 1,967,067 | 961,703 | 158,363 | 884,322 | 44,078 | 1,585,339 | 6,809,926 |
| 1961 | 539,111 | 1,052,130 | 174,652 | 1,979,661 | 1,338,869 | 197,458 | 1,303,654 | 115,557 | 1,442,335 | 8,143,427 |
| 1962 | 411,246 | 1,140,305 | 352,698 | 2,168,497 | 1,613,027 | 337,124 | 1,710,490 | 222,807 | 2,124,344 | 10,080,538 |
| 1963 | 1,719,239 | 1,320,264 | 552,669 | 2,905,443 | 1,908,796 | 513,077 | 2,612,485 | 259,477 | 481,396 | 12,272,846 |
| 1964 | 972,471 | 1,258,086 | 494,037 | 4,030,118 | 1,991,432 | 365,183 | 2,494,756 | 557,404 | 2,805,647 | 14,969,134 |
| 1965 | 1,022,268 | 1,324,311 | 464,797 | 5,414,532 | 2,331,051 | 308,823 | 2,467,199 | 231,579 | 3,047,526 | 16,612,086 |
| 1966 | 623,018 | 1,400,032 | 569,390 | 5,333,227 | 2,566,298 | 154,247 | 2,747,618 | 266,551 | 3,766,380 | 17,426,761 |

Source: Federal Agencies' Field Offices.

Federal Agency Bureau of Sport Fisheries & Wildlife

Program Alamosa, Browns Park & Monte Vista National Wildlife Refuge

State Colorado

TABLE NO. C-7a

Page 2 of 4

FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 400 | $ 0 | $ 0 | $ 800 | $ 0 | $ 0 | $ 0 | $ 57,323 | $ 0 | $ 58,523 |
| 1956 | 400 | 0 | 0 | 900 | 0 | 0 | 0 | 86,833 | 0 | 88,133 |
| 1959 | 500 | 0 | 0 | 1,000 | 0 | 0 | 0 | 61,547 | 0 | 63,047 |
| 1960 | 600 | 100 | 2,000 | 1,000 | 0 | 0 | 0 | 106,286 | 0 | 109,986 |
| 1961 | 600 | 200 | 4,000 | 1,200 | 0 | 0 | 0 | 50,149 | 0 | 56,149 |
| 1962 | 650 | 3,000 | 5,000 | 1,400 | 0 | 0 | 0 | 62,759 | 0 | 72,809 |
| 1963 | 700 | 4,500 | 6,000 | 1,500 | 0 | 0 | 1,700 | 225,933 | 0 | 240,333 |
| 1964 | 1,700 | 9,600 | 900 | 1,500 | 0 | 0 | 2,900 | 150,835 | 0 | 167,435 |
| 1965 | 1,300 | 6,800 | 1,700 | 4,500 | 0 | 0 | 1,800 | 126,125 | 0 | 142,225 |
| 1966 | 1,300 | 8,700 | 3,300 | 6,200 | 0 | 0 | 2,200 | 261,700 | 0 | 283,400 |

Source: Federal Agencies' Field Offices.

52-25

Federal Agency Interior - BLM

Program All

State Colorado

## TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 499,366 | $ 222,090 | $ 0 | $ 6,730 | $ NA | $ NA | $ NA | $ 617,814 | $1,346,000 |
| 1958 | 19,854 | 337,518 | 148,905 | 9,927 | 49,635 | NA | NA | NA | 537,161 | 1,103,000 |
| 1959 | 35,473 | 728,130 | 621,711 | 18,670 | 18,670 | NA | NA | NA | 444,346 | 1,867,000 |
| 1960 | 39,843 | 916,389 | 712,980 | 39,843 | 20,970 | NA | NA | NA | 366,975 | 2,097,000 |
| 1961 | 47,820 | 1,123,770 | 669,480 | 47,820 | 23,910 | NA | NA | NA | 478,200 | 2,391,000 |
| 1962 | 28,485 | 575,397 | 317,133 | 43,677 | 113,940 | 72,162 | NA | NA | 748,206 | 1,899,000 |
| 1963 | 151,740 | 427,401 | 381,879 | 45,522 | 257,958 | 867,447 | NA | NA | 397,053 | 2,529,000 |
| 1964 | 127,276 | 801,568 | 330,376 | 51,452 | 241,012 | 636,380 | NA | NA | 519,935 | 2,708,000 |
| 1965 | 105,160 | 762,410 | 265,529 | 157,740 | 339,141 | 181,401 | 594,154 | NA | 223,465 | 2,629,000 |
| 1966 | 119,769 | 936,655 | 276,390 | 119,769 | 383,875 | 82,917 | 767,750 | NA | 383,875 | 3,071,000 |

Source: Federal Agencies' Field Offices.

Federal Agency Corps of Engineers

Program John Martin Dam & Reservoir

State Colorado

## TABLE NO. C-7a

Page 4 of 4

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 0 | $ 0 | $ 5,700 | $ 0 | $ 0 | $ 5,800 | $ 0 | $ 91,500 | $103,000 |
| 1958 | 0 | 0 | 0 | 30,000 | 0 | 0 | 9,290 | 0 | 92,280 | 131,570 |
| 1959 | 0 | 0 | 0 | 27,180 | 0 | 0 | 14,500 | 0 | 102,370 | 144,050 |
| 1960 | 0 | 0 | 0 | 12,820 | 0 | 0 | 14,940 | 0 | 108,030 | 129,890 |
| 1961 | 2,500 | 0 | 0 | 1,280 | 0 | 0 | 17,600 | 0 | 119,420 | 140,800 |
| 1962 | 0 | 0 | 0 | 16,150 | 0 | 0 | 33,220 | 0 | 145,390 | 194,760 |
| 1963 | 2,730 | 0 | 0 | 2,560 | 0 | 0 | 37,310 | 0 | 136,290 | 178,890 |
| 1964 | 0 | 0 | 0 | 1,260 | 0 | 0 | 51,170 | 0 | 181,120 | 233,550 |
| 1965 | 0 | 0 | 0 | 1,200 | 0 | 0 | 22,250 | 0 | 167,430 | 190,880 |
| 1966 | 0 | 0 | 0 | 17,880 | 0 | 0 | 20,360 | 0 | 151,230 | 189,470 |

Source: Federal Agencies' Field Offices.

Federal Agency US Forest Service

Revenue Sharing Program National Forests (25% )[a/]

State Colorado

TABLE NO. C-9

THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

52-26

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to State Government | (5) Revenue Share Lost (Col. 2 x a/) |
|---|---|---|---|---|---|
| 1957 | $ 1,197,854 | $ 152,846 | $ 1,045,008 | $ 261,252 | $ 38,212 |
| 1958 | 1,456,515 | 130,587 | 1,325,928 | 331,482 | 32,647 |
| 1959 | 1,927,079 | 216,015 | 1,711,064 | 427,766 | 54,004 |
| 1960 | 1,872,893 | 305,037 | 1,567,856 | 391,964 | 76,259 |
| 1961 | 1,405,061 | 293,409 | 1,111,652 | 277,913 | 73,352 |
| 1962 | 1,118,402 | 338,442 | 779,960 | 194,990 | 84,610 |
| 1963 | 1,332,712 | 384,788 | 947,924 | 236,981 | 96,197 |
| 1964 | 1,325,155 | 478,707 | 846,448 | 211,612 | 119,677 |
| 1965 | 1,276,575 | 491,535 | 785,040 | 196,260 | 122,884 |
| 1966 | 1,516,634 | 634,658 | 881,976 | 220,494 | 158,664 |

Source: **Federal Agencies' Field Offices.**

## CASE STUDY DIGEST
## MINNESOTA

### I. The State

a. General Description: Minnesota is one of the largest states in the nation both in land area and population. It has a diverse economy; however, it strongly reflects a natural resource-based economy in the northern part of the state, the area which is the most intense in public lands. In the south-central part of the state the economy is of a diverse industrial nature, comprising the headquarters of major manufacturing plants of some of the nation's foremost science-oriented industries. During the last two decades the economy in the northern part of the state was adversely affected by the depletion of the better quality iron ore deposits; however, the downward trend was arrested with the development of an economically feasible taconite palletizing process which was coupled with the passage of the Minnesota Taconite Amendment in 1964 (an Act providing tax relief for taconite mining and processing activities).

Besides farming, the natural resource-oriented economy is composed of large-scale wood conversion. The resource for the wood-using industries is comprised of large Federal, state and county woodlands and a much smaller privately owned forest acreage. The government of the state and its constituent local governments are organized in conventional form with the dominant local units being the 67 counties. There are 2,531 townships, 1,828 organized towns and 849 incorporated cities, villages and boroughs. Only three cities have populations of 100,000 or more (Duluth, Minneapolis and St. Paul), and 13 have populations ranging from 20,000 to 100,000.

The performance of public services in the state follows the conventional pattern. The state maintains a widely distributed system for higher and vocational education. It also supervises the insurance of minimum standards in elementary and secondary education. The state's activities in the fields of tax assessment and collection are described in Chapter II, item a. of this digest Among its further activities are the construction and maintenance of state highways, the coordination of locally operated health and welfare institutions and it maintains state mental, correction and detention institutions. The state's activities in the area of law enforcement, the judiciary, fire protection and protection from the elements are supplementary to those of the local authorities. Similarly, the state performs supplementary functions in sanitation, refuse collection and utility operations.

In many-faceted fields of resource development, including the management of state-owned lands, the state government's roles are primary and secondary. While county and multi-county authorities have been encouraged, through permissive legislation, to engage in resource and economic development activities, the state takes an active role either as the coordinator between other units of government and the Federal authorities or as the primary functionnaire. All comprehensive planning, for example, is coordinated by the state's planning department, yet the planning for future water resources is directed and executed almost entirely at the state level.

Due to the orientation of the northern part of the state to a natural resource-based economy, the state has a variety of departments which are engaged in resource development and controlling activities.

The incorporated cities are mostly self-sufficient in their governmental functions; they provide all public services including the assessment and collection of property taxes, while for all other units of local government the county provides the majority of public services. Townships and organized towns typically provide a minimal scope of local public services such as law enforcement, street maintenance and sanitation services and their activities are funded through levies collected in their behalf by the county government.

County government in Minnesota also acts as the dominant fiscal unit for school and special districts. The county is typically the recipient of Federal and state grants which it may redistribute to eligible units of local government within its bounds. The state has sole jurisdiction over the assessment and levy of taxes upon public utilities though the collection of these levies is performed by counties and incorporated cities which share in these tax revenues.

b. Vital Statistics: Following are the vital statistics for the entire state:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population (000) | 1960 | 1 | 3,414 | 1966 | 4 | 3,572 | 4.6 |
| Urban[1] | 1960 | 1 | 2,121 | 1966 | 6 | 2,286 | 7.8 |
| Rural | 1960 | 1 | 1,293 | 1966 | 6 | 1,286 | -0.5 |
| Employment (000) | 1960 | 2 | 960 | 1966 | 2 | 1,142 | 19.0 |
| Personal Income ($000,000) | 1960 | 3 | 7,241 | 1966 | 3 | 10,373 | 43.2 |
| Per Capita Income ($) | 1960 | 3 | 2,116 | 1966 | 3 | 2,904 | 37.2 |
| Public School Enrollment (K-12) | 1960 | 5 | 692,336 | 1966 | 5 | 835,138 | 20.6 |

These figures show a small population growth rate for the 1960-1966 period, all of which occurred in the state's urban areas while the population of the rural areas declined.

Employment, personal income and per capita income surged during the 1960-1966 period and the 1966 estimated per capita income of $2,904 was among the highest in the nation.

The above figures, representing state totals, might be compared with those for the public land intense counties to highlight the fact that these latter counties did not participate at a comparable rate in the state's economic progress. In these five counties[2] total population remained unchanged, employment increased by 11%, EBI increased by 26% and per capita EBI reached $2,233 in 1966.

c. The Land: The state has a total land area of 51.2 million acres, the distance at the extreme points from north to south is 405 miles and from east to west 354 miles. The total Federal land in the state is in excess of 4 million acres or 7.84% of the total state area. Of these Federal lands approximately 3.3 million are lands as defined in Section 10 of PL 88-606. However, some 57,000 acres of these lands were not subject to an active PILT or RS program in 1966. The Federal lands subject to PILT and RS programs in 1966 are comprised as follows:

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[1] Includes areas of 2,500 people or more.
[2] Cass, Itasca, Lake, Marshall, and St. Louis.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. U. S. Bureau of Labor Statistics, Employment Earnings Statistics for States and Areas, Nonagricultural Employment, Bulletin 1370-4, July, 1967.
3. U. S. Department of Commerce, Office of Business Economics, Survey of Current Business, August, 1967.
4. U. S. Bureau of the Census, Current Population Report, Series P-25, No. 273.
5. U. S. Department of Health. Education, and Welfare, Office of Education, Fall 1960 Enrollment, Teachers and Schoolhousing, and Fall 1966 Statistics of Public Schools.
6. Estimated by using data on urban and total population in Sales Management Magazine, Survey of Buying Power, June 10, 1967.

| | |
|---|---|
| Forest Service (FS)<br>National Forests, Superior and Chippewa, excluding Boundary Waters Canoe Area (BWCA) | 2,038,481 acres |
| BWCA | 743,708 acres |
| Total Forest Service | 2,782,189 acres |
| Corps of Engineers (C of E)<br>Flood Control Project | 258,996 acres |
| Bureau of Sport Fisheries and Wildlife (BSF&W)<br>Bird & Wildlife Refuges | 168,639 acres |
| Bureau of Land Management (BLM)<br>Outside Grazing, TG-15 | 41,336 acres |
| Total | 3,251,160 acres |

For the BLM acreage shown above, no payments were reported during the 10-year study period. The balance of Federal land in the state, a total of approximately 764 acres is, for the most part, under the jurisdiction of the Bureau of Indian Affairs (BIA).

The State of Minnesota owns over 5 million acres, all in rural lands and, as such, is the largest land owner in the state.

Minnesota has one of the most complex patterns of land-ownership in the United States. It is unique in the large amounts of forest and related lands in county ownership and decidedly unusual in the small amount in industrial ownership. In one county, for example, and all within the boundaries of the Chippewa National Forest, the land ownership is divided as follows: Federal 49%, private 30%, state 17% and county 4%; it is quite obvious that as a result of this intermingled pattern of ownership there exist innumerable overlapping jurisdictions. (See Dana, Allison, Cunningham, Minnesota Lands, The American Forestry Association, 1960.)

## II. Finance

a. General: The State of Minnesota operates on a broad tax basis comprised of a variety of general property levies, sales and gross receipts, licenses, individual and corporate income, excise and other taxes.

i. State Taxes: The Department of Taxation is the principal state taxing authority in Minnesota. It administers and collects most taxes[1] while others are under the jurisdiction of various

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[1] MINN. STAT. ANN. (MSA) ch. 270 § 02 (1966).

State Commissions. For example, the Liquor Control Commission collects the alcoholic beverage tax,[2] the Insurance Commissioner collects the insurance tax,[3] and so forth. A listing of state taxes and the authority for their imposition is contained in the summary at the end of this digest.

II. Local Taxes and Revenues: Local revenues flow from either the United States Government, the State of Minnesota or the taxing authority of the local governments themselves.

Payments from the state are made in two ways, either as part of a state revenue producing program or as state assistance payments from the State Treasury. Minnesota shares 20% of the inheritance tax,[4] 25% of its cigarette tax,[5] 25% of its sales tax,[6] 30% of its alcoholic beverage tax,[7] 80% of its vessel tonnage tax[8] and all of its bank excise tax,[9] mining excise tax[10] and grain handling tax[11] with its local taxing units. These subdivisions also receive payments to compensate them for the burdens imposed by the tax-exempt status of state lands. Thus, Minnesota distributes 50% of the gross receipts from state forest lands,[12] 50% of the income from state conservation lands,[13] 80% of the gross revenues from mineral leases on state lands,[14] and 35% of the gross revenues on state fish and game lands to the county[15] in which these revenues are produced.

Local political subdivisions also receive extensive state assistance which are not land related. Minnesota maintains a general equalization plan to guarantee local taxing authorities a minimum income.[16] This is supplemented by a special school equalization program[17] and several other more specific acts. Minnesota makes assistance grants for school districts which have discontinued school,[18] for district schools that contain out of district students,[19] for districts that have consolidated,[20] for summer school programs,[21] for emergency school aid,[22] for the education of handicapped children, for evening school programs[23] and for districts with military reservations within their jurisidction.[24] The school districts are reimbursed for 80% of their expenditures for school transportation[25] and for 50% of the cost of establishing and maintaining school libraries.[26]

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[2] Id. at ch. 360 § 01.

[3] Id at ch. 60 § 63.

[4] Id at ch. 291 § 01.

[5] Id at ch. 297 § 13.

[6] Id at ch. 297A § 51.

[7] Id at ch. 340 § 60.

[8] Id. at ch. 289 § 01.

[9] Id. at ch. 290 § 361.

[10] Id. at ch. 298 §§ 28, 39.

[11] Id. at ch. 286 § 01.

[12] Id. at ch. 89 § 36.

[13] Id. at ch. 84A § 51.

[14] Id. at ch. 93 § 335.

[15] Id. at ch. 97 § 49.

[16] Id. at ch. 276 §§ 15-18.

[17] Id. at ch. 124 § 21.

[18] Id. at ch. 123 § 65.

[19] Id. at ch. 123 § 18.

[20] Id. at ch. 124 § 18.

[21] Id. at ch. 124 § 24.

[22] Id. at ch. 124 § 20.

[23] Id. at ch. 124 § 26.

[24] Id. at ch. 190 § 31.

[25] Id. at ch. 124 § 22.

[26] Id. at ch. 89 § 039.

State subventions to local governments for public health and transportation are less extensive than those for educational purposes. Minnesota contributes to the creation and maintenance of local mental health programs[27] and local hospital construction.[28] The villages and cities are eligible for state aid for streets.[29] Finally, county agricultural associations and societies receive state assistance.[30]

In spite of this extensive system of state aid, local revenues are derived for the most part from the exercise of their taxing powers. Local governments levy and collect general property[31] and poll taxes.[32]

b. Revenues and Expenditures: Tables No. C-1 and C-2 contain 10-year data for state government receipts by source. The data in these tables, taken from the Compendium of State Government Finance, 1957-1966, U.S. Department of Commerce, Bureau of the Census, vary from the data published by the state. However, the Census data were chosen for this study in order to utilize a consistent data source for all state and resource studies conducted within the framework of this project. While total taxes for the state, as shown in column 2 of Table No. C-1, agree with those reported by the state, the state reported collections from property taxes of about $2.3 million less than those shown in column 1 of Table No. C-1. While property taxes in 1966 accounted for less than 5% of total state tax receipts, sales and income taxes combined accounted for 75% of total tax receipts. During the 10-year period total state receipts rose by 136%. During this period the relative dependence on property taxes declined and that for other taxes and revenue sources increased. The largest rate of increase was in Federal grants which in 1966 were about 2-1/2 times the 1957 payment.

During the 10-year study period the state enacted several changes in its tax structure, including the one related to the taconite tax previously mentioned. A major change in the state's tax laws is represented by the Minnesota Tree Growth Tax law which was enacted for the purpose of permitting privately owned lands to be taxed on the basis of the annual increase in tree value rather than a continuous ad valorem tax. This law applies to all privately owned commercial forest lands. The tax is 30% of the value of the estimated average annual tree growth. It results in a tax of from 18¢/acre for hardwoods to 52¢/acre for white and Norway pine. A credit of 50¢/acre, but not exceeding the tax due, is granted for each acre planted and maintained with a minimum of 500 trees of commercial species. Permanently nonproductive land is taxed at 5¢/acre/year and the same

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27/ Id. at ch. 245 § 61.

28/ Id. at ch. 376 § 31.

29/ Id. at ch. 162 § 14.

30/ Id. at ch. 38 § 02.

31/ Id. at ch. 275 § 03.

32/ Id. at ch. 412 § 19(23).

applies to temporarily nonproductive lands. The enactment of this tax has resulted in a stimulus to private forest ownership and a resurgence in reforestation.

Table No. C-1a shows the large increase in total state taxes per capita during the 10-year study period. Total state taxes per capita almost doubled; however, as a percent of EBI, they increased by only 22%. The increase in state property taxes was somewhat less than that for other state taxes, most notably sales and individual income taxes.

State expenditures rose at a slightly lesser rate. The largest increases in state expenditures occurred in the categories for education and distribution to local governments. The latter accounted for almost 40% of total state disbursements in 1966.

c. State Property Tax: The state's reliance on property taxes declined as the assessed values of properties increased by over 20% during the 10-year period (in the five Federal land intense counties total assessed value declined by over 30% during the same period). The state property tax rate increased steadily; however, its weighted average rate has somewhat declined since 1964.

The state has substantially different rates for homesteads and non-homesteads, both on property in and outside of first class cities. For example, while the maximum state mill rate in 1966 was 18.42, the rate for homesteads in first class cities was 9.83 and for those outside first class cities, 18.32. The weighted average mill rate was computed at 13.2 mills as shown in Table No. C-3. The state taxes all leaseholds and improvements on Federal lands which are taxed by local units of government. While a large number of leases existed in 1966, it was infeasible to determine the state's tax collection from these properties.

In the five case counties the collection of taxes from possessory interest amounted to a mere $36,406 and averaged less than 0.2% of these counties' total property tax revenues; in one of them, Marshall, no tax revenues were collected from this source. State law permits the taxation of all types of possessory interest excluding, however, the value of Federal land under lease by a profitmaking organization when in lieu tax payments are made for such land by the Federal government and such in lieu tax payments are equivalent to taxes which might otherwise be lawfully assessed (Minn. Stat. Ann. Tit. 272).

c. Bonded Indebtedness: During the 10-year period, 1957-1966, the state's bonded indebtedness rose sharply. The summary at the end of this digest contains the detailed figures for the state's outstanding indebtedness as of June 30, 1966. It shows a total of $272.5 million. In 1957 the outstanding debt was less than $80 million, yet it then included over $17 million of debt for military and naval land bonds and veterans' compensation bonds, both of which were retired by 1966. The largest increase in the state's debt was caused by issues for state buildings, a net increase of $170 million, and for school purposes, a net increase of $30 million.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs: The State of Minnesota and its units of local government obtained revenue sharing and in lieu of tax payments under four programs: the National Forest Fund, the Superior National Forest in lieu tax payment, the C of E flood control projects, and the BSF&W migratory bird and refuge program. In addition, there were PILT payments from the Reconstruction Finance Corporation (Navy), and also some payments were received from the Sale of Public Lands Act under the control of BLM. In accordance with a Minnesota state statute none of the Federal RS and in lieu tax payments are retained by the state. All the money the state receives is distributed to the counties and those from forest revenues are designated for public school and public road expenditures. Table No. C-4 contains payment and acreage data for the 10-year period for all the applicable RS and PILT programs, shown separately for Section 10 lands and other public lands. None of these moneys have accrued to the state. These payments rose steadily from a low of $201,000 in 1958 to a high of $367,000 in 1966. For Section 10 lands the 1957 payment was $182,000 as compared with $312,000 in 1966; per applicable acre the payments have increased from 6.3¢ to 10.6¢, an increase of 68%. Until 1965 only the payments from the national forests were of any significance. Since 1966, and due to the in lieu tax payments on certain BSF&W lands, the payments made by that agency increased substantially. However, for all Federal land and in the aggregate, the 1966 payment represents a rather small source of revenue amounting to just over 11.4¢/acre for the applicable lands.

b. Value of Free Goods and Services: The FS and the BSF&W have provided the state with substantial free use of certain tracts of land and also the free supply of certain construction materials. It was estimated that the value of these free uses and goods in 1966 were as follows:

| Agency | Nature of Free Goods and Services | Total Annual Value |
|---|---|---|
| FS | Rights-of-Way | $130,120 |
| | Mineral Material and Wood | 30,159 |
| | Storage and Refuse | 204 |
| | Fire Protection | 50,160 |
| | Dam and Weir | 500 |
| | Airport and Beacon | 19 |
| | Radio-TV Tower | 150 |
| | Cabins, Nonrecreational | 150 |
| | School - Land | 210 |
| BSF&W | Rights-of-Way | 31,215 |
| | Mineral Materials | 1,388 |
| | Road Maintenance | 1,662 |
| | Culverts | 90 |
| | Work Opportunities | 15,000 |
| | Total | $261,027 |

c. Federal Facilities and Services Having Joint Use: The FS, BSF&W, and C of E have provided the state with the free use of a variety of Federally constructed and maintained facilities. Based on the original cost, annual operating costs and the percentage of use of these facilities by the state, the annual value of these free uses of Federal facilities were estimated as follows:

| Agency | Nature of Free Goods and Services | Total Annual Value |
|---|---|---|
| FS | Roads and Bridges | $114,530 |
| | Lookout Towers | 4,307 |
| | Offices | 5,313 |
| | Radio | 822 |
| | Warehouses | 1,448 |
| | Equipment Repair Shop | 270 |
| | Camp Ground | 347 |
| BSF&W | Water Control Structures | 1,600 |
| | Bridges | 1,731 |
| | Roads | 2,150 |
| | Lake Access | 270 |
| | Total | $132,788 |

d. Loss in Revenue as a Result of Sharing Net Versus Gross: FS made K-V Fund collections in each year of the 10-year study period. Table No. C-9 contains the appropriate figures. It shows that the K-V collections varied in each year but seem to have been mostly in the range of $210,000 to $230,000 and appear to be unrelated to the gross value of stumpage sold in each year. As a result, the Minnesota counties "lost" revenue share payments ranging from a low of $17,000 to a high of $66,500. The "lost" RS payments range from 15% to 55% of the net payment made in the various years.

e. Resource Expenditures - Management: The FS and the BSF&W have made substantial resource program expenditures in Minnesota both for administrative-operating and capital-improvement purposes. Table No. C-7 contains a summary of the expenditures made by these two agencies; for BSF&W, data for the period 1963-1966 only were available. Statewide expenditures by C of E were not available. The figures in Table No. C-7 indicate that the all-time high was reached in 1963 when the FS was engaged in the conduct of an accelerated public works program in addition to its normal activities. Excluding this special program in 1963 and 1964, the figures show a steady annual increase. Total expenditures for the period 1963-1966 averaged $5.4 million, of which over 53% were in the form of capital expenditures.

Tables No. C-7a1 and 2 contain expenditure data for each of these two agencies by expenditure category.

The survey of management activities of the various Federal land management agencies indicates that all are engaged in a full range of land management activities including multiple use applications. There also appears to be some overlapping between the various agencies; for example, the FS and the BSF&W are engaged in the management of wildlife habitat, timber stand improvement and timber sales, forest insect and disease control, and others. It is understood, however, that these activities are conducted by each of the agencies on the lands under their respective jurisdiction. The C of E has reported a far more limited management of recreational facilities, the construction and maintenance of access roads besides the management of its flood control projects.

## IV. Burdens to State Government

a. Direct Burdens: Regrettably, the readily available data from the various departments of state government do not permit the identification of specific financial burdens upon the state which are incurred as a result of the presence of Federal lands. Extensive interviews with various officials in state government and reviews of their various data have not permitted the identification of the magnitude of the financial burdens which are incurred for such expenditures as state highway, law enforcement, fire control and fighting, and various related administrative resource planning activities. The fact that such financial burdens were not identifiable is not particularly surprising since the state had no reason to accumulate relevant data in the past. Moreover, state government officials recognize that the Federal land holdings are relatively small and represent only a little more than half the holdings of the state itself.

In reply to questions relating to the state's policy towards county and other units of local governments with large Federal land holdings, it was pointed out that the state makes no specific provisions for assisting such units of government in compensating for any revenue deficiencies which are specifically due to the presence of Federal lands. The state's assistance to local governments has increased substantially over the years but it was not felt by the interviewed government officials that the Federal land holdings and relatively small in lieu tax and revenue sharing payments have created specific burdens at the state level.

b. Indirect Burden: Because the state does not participate in the revenue sharing payments made by the Federal agencies, the loss of the state property tax which would be due from the Federal lands if they were in private ownership represents a net burden to the state. Table No. C-8 contains an estimate of this tax revenue loss. It is estimated that the loss of revenue to the state amounts to about \$133,000 or about 4¢/applicable acre of Federal land. These figures might be compared with the gross tax loss to the local governments and the state which, on an equivalent basis, are estimated at almost \$2.4 million or an average of 73¢/acre. This estimate is based on land values, assessment practices and average tax rates in the five case counties. The large difference in the per acre tax loss of local government as compared with state government is due to the state's relatively low tax rate of about 13 mills and the counties average of 234 mills.

## V. Impact of the Present System

The most serious problem resulting from Federal land ownership in Minnesota is the intermingled ownership between Federal, state, county and private lands. This intermingled ownership and the problems created thereby were recognized by state government officials and as a means of improving the joint, continuous consideration of the state's land ownership problems by all interested parties, the Natural Resources Council was established by the Minnesota legislature. It serves as an advisory and coordinating body which has endeavored to obtain land exchanges and state land purchases which would result in larger single ownership of land areas and also the development of land utilization programs which may materially contribute to the state's economic welfare. Otherwise, at the state level there is no significant impact from the present PILT and RS system.

Of more importance than these programs is Minnesota's ineligibility under the BPR Sliding Scale Highway Aid Program. (See appendix entitled "Effects of Exclusion of National Forests, Parks and Monuments from BPR Sliding Scale Benefits.") Though total Federal land in the state substantially exceeds the minimum 5%, much of the Federal land is comprised of noneligible national forests, parks and monuments. Excluding these lands, the Federal area is 2.4% of the total state area; e.g., less than the minimum required for participation in this program. A case analysis was conducted to ascertain the net loss in sliding scale benefits to the state which resulted in the following findings:

> If Minnesota were eligible for sliding scale Federal participation, the Federal share of ABC or primary, secondary, and urban programs would increase from 50% to 53.92% (50 + 1/2 of the eligible Federal land area in % of total = 7.84 ÷ 2) because for each percentage point of Federal land area, the Federal share increases by 1/2 of 1%. For interstate funds, the Federal share would increase from 90% to 90.78% (90 + 10% of the eligible land area = 7.84 × .1) because for each percent of Federal land area the Federal grant is increased by 1/10 of 1% up to a maximum of an additional 5% in the Federal grant.
>
> In fiscal 1966, Minnesota received $23.8 million in ABC funds (50% of total) and $72.2 million (90% of total) in interstate funds. Had this state been eligible for "impact payments," it could have received the following Federal road program funds:

| | |
|---|---|
| ABC Funds - 53.92% × $47.6 million (Total Funds, Federal Plus State) | $25.66 million |
| Interstate Funds 90.78% × $80.2 million (Total Funds, Federal Plus State) | $72.80 million |
| Fiscal 1966, ABC + Interstate Funds, if sliding scale applied | $98.46 million |
| Fiscal 1966, Actual Allocation of ABC + Interstate Funds | $96.02 million |
| Difference if sliding scale applied | $ 2.44 million |

If it were to be assumed that the ineligibility of forest lands is justified by the PILT and RS payments received from such lands and also the state forest highway contributions (appropriations to the Federal Highway Administration passed on to the FS for construction of forest highways), one might compare these payments with the loss of sliding scale payments. In 1966 local units of the state obtained a total of .26 million in national forest highway appropriations, a total of $0.71 million. Deducting this amount from the loss of sliding scale payments leaves a net loss to the state of $1.73 million or about 2-1/2 times the amount obtained from the lands, which resulted in the state's ineligibility for the sliding scale highway benefits. It appears that this case shows a substantial inequity.

While only an insignificant indirect burden - the loss of state property tax revenue - has been identified heretofore, it is quite evident that the Federal land intense parts of the state are causing other burdens upon the state. Though it is not possible to associate precisely the causes for each type of financial burden, e.g. factors other than Federal land do in all likelihood play important roles, the analyses of selected state expenditures evidence the existence of such burdens in the Federal land intense areas.

Relying on a variety of data sources[1] the 1966 per capita expenditures for three expenditure categories were disaggregated to obtain comparative levels in the expenditures in public land intense counties, e.g. the five case counties, all other counties and the state as a whole. The following results were obtained:

Per Capita State Expenditures for Selected Items, 1966

| | Aid to Public Schools[2] | Roads & Highways[3] | Welfare | Three Programs Combined |
|---|---|---|---|---|
| All Counties ($) | 54.77 | 10.07 | 28.66 | 93.50 |
| Non-Case Counties ($) | 53.37 | 9.78 | 28.01 | 91.16 |
| Case Counties (5) ($) | 69.54 | 13.07 | 35.44 | 118.06 |
| Ratio Case Counties to all Counties | 1.27 | 1.30 | 1.24 | 1.26 |

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[1] The state does not publish in a single report the data relating to state grants and subventions. Such data are typically contained in reports of the various departments having responsibility for the programs.

[2] State aid only.

[3] State and Federal aid.

The above clearly demonstrates the greater financial burden imposed by the public land intense counties, despite the fact that all Federal payments from PILT and RS are rebated in full to these counties.

It is also significant to note that while all Federal aid payments to the state have increased from 1957 to 1966, on a per capita basis, from about $23.42 to $73.09, an increase of 212%, the PILT and RS payments have increased by about 55%. This is further evidence that the PILT and RS systems have increasingly fallen behind other Federal payments to states, though, as indicated, the Federal land intense areas impose greater burdens upon state (and county) finance than the remaining parts of the state.

Note: Tables No. C-5 and C-6 are not included in this digest; they do not apply to this state.

# MINNESOTA
## BONDED INDEBTEDNESS, 1966
(In Thousands)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Building | NA | $201,157 |
| Rural Credit Deficiency | NA | 75 |
| Minnesota Aeronautics | NA | 6,240 |
| Minnesota State Parks | NA | 105 |
| Minnesota School Loan | NA | 30,200 |
| State Trunk Highway | NA | 34,800 |
| Total | NA | $272,577 |

Source: Biennial Report, State Auditor of Minnesota (1965 & 1966), pp. 10-11.

# MINNESOTA
## SUMMARY OF STATE TAXES AND TAXING AUTHORITY

| Type of Tax | Citation |
|---|---|
| Cigarette Tax | MSA ch. 297 § 02 |
| Deed Tax | MSA ch. 287 § 21 |
| Mortgage Registry Tax | MSA ch. 287 § 05 |
| Estate Tax | MSA ch. 291 § 34 |
| Gasoline Tax | MSA ch. 296 § 02 |
| Property Tax | MSA ch. 275 § 02 |
| Income Tax | MSA ch. 290 §§ 02, 03 |
| Inheritance Tax | MSA ch. 291 § 01 |
| Occupation and Royalty Taxes | MSA ch. 298 §§ 011,24,25,26 |
| Sales and Use Tax | MSA ch. 297A § 02 |
| Utilities Tax | MSA ch. 295 §§ 2,29,32,34,40 |
| Vessel Tonnage Tax | MSA ch. 289 § 01 |
| Gift Tax | MSA ch. 292 § 01 |
| Grain Handling Tax | MSA ch. 286 § 01 |
| Motor Vehicle Tax | MSA ch. 168 § 013, 221 |
| Corporate Tax and Fees | MSA ch. 300 § 19 |
| Insurance Tax | MSA ch. 60 § 63 |
| Alcoholic Beverage Tax | MSA ch. 340 § 49 |
| Oleomargarine Tax | MSA ch. 33 § 10 |

## TABLE NO. C-1

## STATE GOVERNMENT RECEIPTS BY SOURCE
(Thousands of Dollars)

STATE: Minnesota

53-17

| Year | Total Property Tax | Total Taxes | Taxes and Revenues | Receipts from Federal Government | Total Receipts |
|---|---|---|---|---|---|
| 1957 | $ 14,942 | $ 292,567 | $ 395,751 | $ 77,091 | $ 472,842 |
| 1958 | 17,498 | 319,777 | 434,109 | 88,103 | 522,212 |
| 1959 | 20,010 | 313,678 | 441,694 | 129,075 | 570,769 |
| 1960 | 22,518 | 352,583 | 491,725 | 137,265 | 628,990 |
| 1961 | 24,684 | 382,976 | 531,791 | 146,388 | 678,179 |
| 1962 | 24,725 | 403,394 | 559,730 | 143,225 | 702,955 |
| 1963 | 25,989 | 442,478 | 610,768 | 155,264 | 766,032 |
| 1964 | 31,882 | 479,939 | 666,633 | 188,706 | 855,339 |
| 1965 | 31,258 | 519,469 | 717,640 | 218,485 | 936,125 |
| 1966 | 31,675 | 614,995 | 845,323 | 268,595 | 1,113,918 |
| % Change 1957-1966 | 111.9 | 110.2 | 113.6 | 248.4 | 135.6 |

Source: Compendium of State Government Finances, U.S. Department of Commerce - Bureau of the Census, 1957 to 1966.

TABLE NO. C-1a

## STATE TAXES PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME, 1957 AND 1966

STATE Minnesota

| YEAR | Total State Taxes ($000)[1/] | | | | | State Property Taxes | | Total State Taxes | |
|---|---|---|---|---|---|---|---|---|---|
| | Total Sales & Gross Receipts (1) | Individual Income (2) | Property (3) | Other[2/] (4) | Total (5) | % of EBI (6) | Per Capita ($) (7) | % of EBI (8) | Per Capita ($) (9) |
| 1957 | 108,255 | 64,445 | 14,942 | 63,219 | 250,861 | 0.3 | 4.51 | 4.7 | 75.72 |
| 1966 | 181,705 | 221,276 | 31,600 | 105,116 | 539,697 | 0.4 | 8.74 | 6.0 | 149.26 |

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1/ Excludes corporation net income taxes.

2/ Includes license, death & gift, severance, poll, document and stock transfer and other taxes.

Sources: Cols. (1), (2), (3), (4), (5): Compendium of State Government Finances, U.S. Bureau of the Census, 1957 and 1966.

Cols. (6), (7), (8), (9): Derived by using Effective Buying Income and Population series in the Survey of Buying Power, Sales Management, 1958 and 1967.

TABLE NO. C-2

## STATE GOVERNMENT DISBURSEMENTS BY MAJOR CATEGORIES
(Thousands of Dollars)

STATE Minnesota

| Year | Education Expenditures | Highway Expenditures | Other State Expenditures | Total State Expenditures | Disbursements to Local Government Agencies | Total Disbursements |
|---|---|---|---|---|---|---|
| 1957 | $ 66,043 | $ 95,998 | $ 118,497 | $ 280,538 | $ 165,097 | $ 445,635 |
| 1958 | 77,421 | 106,147 | 156,640 | 340,208 | 194,832 | 535,040 |
| 1959 | 93,164 | 150,318 | 193,506 | 436,988 | 207,028 | 644,016 |
| 1960 | 93,105 | 123,179 | 176,423 | 392,707 | 238,914 | 631,621 |
| 1961 | 97,931 | 134,702 | 192,878 | 425,511 | 254,374 | 679,885 |
| 1962 | 109,251 | 126,080 | 190,234 | 425,565 | 264,495 | 690,060 |
| 1963 | 111,747 | 114,085 | 195,659 | 421,491 | 278,418 | 699,909 |
| 1964 | 129,832 | 150,023 | 207,919 | 487,774 | 310,668 | 798,442 |
| 1965 | 159,625 | 177,091 | 208,088 | 544,804 | 345,893 | 890,697 |
| 1966 | 188,740 | 184,109 | 214,281 | 587,130 | 396,427 | 983,557 |
| % change 1957-1966 | 185.8 | 91.8 | 80.8 | 109.3 | 140.1 | 120.7 |

Source: Compendium of State Government Finances, U.S. Department of Commerce - Bureau of the Census, 1957 to 1966.

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## TABLE NO. C-3

State Minnesota

## ASSESSED VALUE AND TAX RATE OF REAL PROPERTY BY LAND CLASS

(Thousands of Dollars)

| Year | (1) Residential 2/ | (2) Commercial, Industrial | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. 3/ | (6) Personal | (7) Other 3/ | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ | $1,113,829 | $ 10,336 | $475,695 | $ | $ 409,185 | $ | $ 1,998,709 4/ |
| Aver. Tax Rate 7.5 mills | | | | | | | | |
| Item % of Total | | 55.7 | insig. | 23.8 | | 20.5 | | 100.0 |
| 1958 Assessed Value | | 1,140,768 | 10,531 | 478,135 | | 422,374 | | 2,041,277 |
| Aver. Tax Rate 8.6 mills | | | | | | | | |
| 1959 Assessed Value | | 1,206,320 | 10,859 | 467,154 | | 427,955 | | 2,101,429 |
| Aver. Tax Rate 9.5 mills | | | | | | | | |
| 1960 Assessed Value | | 1,234,767 | 10,383 | 469,369 | | 423,096 | | 2,127,232 |
| Aver. Tax Rate 10.7 mills | | | | | | | | |
| 1961 Assessed Value | | 1,301,244 | 10,747 | 470,166 | | 426,161 | | 2,197,571 |
| Aver. Tax Rate 11.4 mills | | | | | | | | |
| 1962 Assessed Value | | 1,333,647 | 11,208 | 472,765 | | 427,607 | | 2,234,019 |
| Aver. Tax Rate 10.9 mills | | | | | | | | |
| 1963 Assessed Value | | 1,428,989 | 11,313 | 477,285 | | 415,730 | | 2,322,004 |
| Aver. Tax Rate 11.3 mills | | | | | | | | |
| 1964 Assessed Value | | 1,462,641 | 11,300 | 477,528 | | 396,150 | | 2,336,319 |
| Aver. Tax Rate 13.7 mills | | | | | | | | |
| 1965 Assessed Value | | 1,515,337 | 12,195 | 483,069 | | 387,285 | | 2,385,691 |
| Aver. Tax Rate 13.1 mills | | | | | | | | |
| 1966 Assessed Value 1/ | | 1,553,302 | 12,144 | 486,246 | | 383,554 | | 2,423,102 |
| Aver. Tax Rate 13.2 mills | | | | | | | | |
| Item % of Total | | 64.1 | insig. | 20.1 | | 15.8 | | 100.0 |
| Increase/Decrease '66 vs. '57 | | 39.5 | 17.5 | 2.2 | | (6.3) | | 21.2 |

1/Assessed value represents 31.2 percent of actual market value in 1966.
2/Included in Commercial and Industrial.
3/Included in other items.
4/Excludes public utility taxable value.
Source: State Auditor of Minnesota Biennial Reports, 1957-1966, estimates and allocations by EBBMC.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-40
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE - MINNESOTA | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 131322 | 148000 | 140873 | 165088 | 137013 | 129384 | 127898 | 98186 | 112986 | 114031 |
| PERCENT BASE YEAR | 100.0 | 112.7 | 107.3 | 125.7 | 104.3 | 98.5 | 97.4 | 74.8 | 86.0 | 86.8 |
| PROGRAM ACREAGE | 2248664 | 2276340 | 2061122 | 2054469 | 2055167 | 2032663 | 2033490 | 2033696 | 2034101 | 2038481 |
| REVENUE $ PER ACRE | 0.06 | 0.07 | 0.07 | 0.08 | 0.07 | 0.06 | 0.06 | 0.05 | 0.06 | 0.06 |
| SUPERIOR NAT FOREST | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 47950 | 48240 | 121307 | 123274 | 123551 | 125383 | 130587 | 136939 | 140619 | 144815 |
| PERCENT BASE YEAR | 100.0 | 100.6 | 253.0 | 257.1 | 257.7 | 261.5 | 272.3 | 285.6 | 293.3 | 302.0 |
| PROGRAM ACREAGE | 504601 | 505034 | 725205 | 732938 | 733212 | 733454 | 734400 | 736656 | 740570 | 743708 |
| REVENUE $ PER ACRE | 0.10 | 0.10 | 0.17 | 0.17 | 0.17 | 0.17 | 0.18 | 0.19 | 0.19 | 0.19 |
| MIGRATORY BIRD ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 2229 | 2161 | 1786 | 2177 | 2531 | 2976 | 2108 | 2866 | 1894 | 53330 |
| PERCENT BASE YEAR | 100.0 | 96.9 | 80.1 | 97.7 | 113.5 | 133.5 | 94.6 | 128.6 | 85.0 | 2392.6 |
| PROGRAM ACREAGE | 127129 | 118970 | 120454 | 120771 | 121544 | 121591 | 123078 | 129703 | 137438 | 168628 |
| REVENUE $ PER ACRE | 0.02 | 0.02 | 0.01 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.01 | 0.32 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 423 | 2205 | 1197 | 1450 | 1012 | 406 | 5881 | 137 | 18 | 17 |
| PERCENT BASE YEAR | 100.0 | 521.3 | 283.0 | 342.8 | 239.2 | 96.0 | 1390.3 | 32.4 | 4.3 | 4.0 |
| PROGRAM ACREAGE | 1710 | 8852 | 11058 | 1478 | 457 | 223 | 33518 | 285 | 381 | 267 |
| REVENUE $ PER ACRE | 0.25 | 0.25 | 0.11 | 0.98 | 2.21 | 1.82 | 0.18 | 0.48 | 0.05 | 0.06 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 181924 | 200606 | 265162 | 291989 | 264107 | 258149 | 266474 | 238128 | 255517 | 312193 |
| PERCENT BASE YEAR | 100.0 | 110.3 | 145.8 | 160.5 | 145.2 | 141.9 | 146.5 | 130.9 | 140.5 | 171.6 |
| PROGRAM ACREAGE | 2882104 | 2910004 | 2917839 | 2909656 | 2910380 | 2887931 | 2924486 | 2900340 | 2912490 | 2951084 |
| REVENUE $ PER ACRE | 0.06 | 0.07 | 0.09 | 0.10 | 0.09 | 0.09 | 0.09 | 0.08 | 0.09 | 0.11 |

Revenues per acre in dollars have been truncated to the nearest cent; *i.e.*, $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4C
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = MINNESOTA | | | | | | | | | | |
| FLOOD CONTROL PROGRAM | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 609 | 674 | 6296 | 985 | 1229 | 1447 | 1297 | 2426 | 7545 | 7183 |
| PERCENT BASE YEAR | 100.0 | 110.7 | 1033.8 | 161.7 | 201.8 | 237.6 | 213.0 | 398.4 | 1238.9 | 1179.5 |
| PROGRAM ACREAGE | NA | 262552 | 260636 | 259562 | 259542 | 259573 | 259575 | 259577 | 258995 | 258996 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.02 | 0.00 | 0.00 | 0.01 | 0.00 | 0.01 | 0.03 | 0.03 |
| FORMER RFC (NAVY) | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 63116 | 0 | NA | NA | 40218 | 42733 | 51823 | 53139 | 45327 | 47704 |
| PERCENT BASE YEAR | 100.0 | 0.0 | 0.0 | 0.0 | 63.7 | 67.7 | 82.1 | 84.2 | 71.8 | 75.6 |
| PROGRAM ACREAGE | NA | 0 | NA | NA | NA | NA | NA | NA | 15 | NA |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3021.80 | 0.00 |
| FED. POWER COMISSION | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| PERCENT BASE YEAR | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 245660 | 201291 | 271469 | 292985 | 305565 | 302340 | 319605 | 293704 | 308400 | 367091 |
| PERCENT BASE YEAR | 100.0 | 81.9 | 110.5 | 119.3 | 124.4 | 123.1 | 130.1 | 119.6 | 125.5 | 149.4 |
| PROGRAM ACREAGE | 2882164 | 3172556 | 3178535 | 3169218 | 3169922 | 3147504 | 3184061 | 3159917 | 3171500 | 3210080 |
| REVENUE $ PER ACRE | 0.08 | 0.06 | 0.08 | 0.09 | 0.10 | 0.10 | 0.10 | 0.09 | 0.10 | 0.11 |

53-22

NA = data not available.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-7

State Minnesota

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 631,664 | $ 1,049,889 | $ 1,681,553 |
| 1958 | 1,672,989 | 555,655 | 2,228,644 |
| 1959 | 1,071,937 | 1,325,877 | 2,397,814 |
| 1960 | 1,179,609 | 1,245,368 | 2,424,977 |
| 1961 | 1,207,524 | 1,594,334 | 2,801,858 |
| 1962 | 1,820,182 | 1,381,086 | 3,201,268 |
| 1963 | 3,511,747 | 3,028,890 | 6,540,637 |
| 1964 | 2,522,239 | 2,990,746 | 5,512,985 |
| 1965 | 2,047,831 | 2,438,967 | 4,486,798 |
| 1966 | 1,972,148 | 2,925,504 | 4,897,652 |
| Average Year[1] | 2,513,491 | 2,846,027 | 5,359,518 |
| Item % of Total, Average Year | 46.9 | 53.1 | 100.0 |

[1] Average based on period 1963-1966. BSF&W data were not available for prior years.

Source: Federal Agencies' Field Offices.

53-23

Federal Agency US Forest Service

Program Chippewa & Superior National Forests

State Minnesota

TABLE NO. C-7a

Page 1 of 2

FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 197,556 | $ 0 | $ 542 | $ 826,718 | $ 141,656 | $ 46,556 | $ 40,436 | $ 3,550 | $ 424,539 | $1,681,553 |
| 1958 | 258,488 | 0 | 234 | 947,721 | 188,514 | 42,512 | 122,029 | 8,829 | 660,317 | 2,228,644 |
| 1959 | 228,910 | 0 | 713 | 1,106,490 | 184,017 | 53,464 | 131,626 | 4,860 | 687,734 | 2,397,814 |
| 1960 | 226,441 | 0 | 1,050 | 1,040,711 | 225,703 | 77,936 | 100,283 | 3,949 | 748,904 | 2,424,977 |
| 1961 | 339,969 | 0 | 2,642 | 1,167,853 | 320,015 | 26,972 | 206,388 | 15,898 | 722,121 | 2,801,858 |
| 1962 | 306,435 | 0 | 31,397 | 970,726 | 452,808 | 149,139 | 315,728 | 44,513 | 930,522 | 3,201,268 |
| 1963 | 274,128 | 0 | 26,298 | 2,227,363 | 732,103 | 50,048 | 727,949 | 175,858 | 1,731,378 | 5,945,125 |
| 1964 | 366,738 | 0 | 66,336 | 1,753,718 | 707,310 | 43,176 | 669,993 | 161,799 | 1,275,847 | 5,044,917 |
| 1965 | 290,633 | 0 | 31,325 | 1,552,274 | 761,011 | 53,136 | 358,087 | 56,781 | 1,141,504 | 4,244,751 |
| 1966 | 257,824 | 0 | 60,034 | 1,937,588 | 833,384 | 61,619 | 547,514 | 53,594 | 736,702 | 4,488,259 |

Source: Federal Agencies' Field Offices.

83-24

Federal Agency Bureau of Sport Fisheries & Wildlife

Program All Minnesota Refuges & Wetlands

State Minnesota

TABLE NO. C-7a

2 of 2

FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1959 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1960 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1961 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1962 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1963 | 2,378 | 5,250 | 157,844 | 111,473 | 1,584 | NA | 56,678 | 243,134 | 17,171 | 595,312 |
| 1964 | 1,100 | 6,600 | 70,900 | 17,100 | 101,000 | NA | 15,800 | 137,483 | 118,085 | 468,068 |
| 1965 | 1,200 | 8,900 | 20,100 | 15,100 | 2,000 | NA | 18,450 | 137,139 | 23,250 | 242,047 |
| 1966 | 2,000 | 13,800 | 50,745 | 15,800 | 2,400 | 500 | 19,000 | 249,822 | 36,000 | 409,393 |

Source: Federal Agencies' Field Offices.

53-26

## TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

STATE Minnesota

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | | | | | | |
| Agriculture | $ 4.00 | 334,151 | $ 1,336,604 | 13.2 | $ 17,643 | 5¢ |
| Recreation | 15.00 | 156,758 | 2,351,370 | 13.2 | 31,038 | 20 |
| Forest | 2.00 | 2,279,624 | 4,559,248 | 13.2 | 60,182 | 3 |
| Mining | 22.00 | 4,945 | 108,790 | 13.2 | 1,436 | 29 |
| Lake Share | 90.00 | 6,711 | 603,990 | 13.2 | 7,973 | 118 |
| BSF&W | | | | | | |
| Tillable | 12.00 | 27,339 | 328,068 | 13.2 | 4,330 | 16 |
| Pasture and Meadow | 4.00 | 18,362 | 73,488 | 13.2 | 970 | 5 |
| Timber | 2.00 | 45,992 | 91,984 | 13.2 | 1,214 | 3 |
| Waste | 1.00 | 76,946 | 76,946 | 13.2 | 1,015 | 1 |
| BLM | | | | | | |
| Forest Productive | 6.70 | 267 | 1,789 | 13.2 | 23 | 9 |
| C of E | | | | | | |
| Inundated or Marshy | 1.00 | 19,947 | 19,947 | 13.2 | 263 | 1 |
| Forest | 2.00 | 234,649 | 469,298 | 13.2 | 6,195 | 3 |
| Other | 15.00 | 4,400 | 66,000 | 13.2 | 660 | 20 |
| Totals | $ 3.13 | 3,210,091 | $ 10,087,522 | 13.2 | $ 132,942 3/ | 4¢ |

1/ Composite produced from estimates for each land class or type. 2/ Current applicable average state rate.
3/ Utilizing the derived total county average rate excluding municipal levy, 233.8 mills, the estimated total tax would be $2,358,463 or 73.5¢/acre.

Source: Federal Agencies' Field Offices.

Federal Agency US Forest Service

Revenue Sharing Program Chippewa & Superior National Forests (25%)[a/]

State Minnesota

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 x a/) |
|---|---|---|---|---|---|
| 1957 | $ 593,317 | $ 68,025 | $ 525,292 | $ 131,323 | $ 17,006 |
| 1958 | 745,274 | 153,270 | 592,004 | 148,001 | 38,318 |
| 1959 | 788,690 | 225,210 | 563,480 | 140,870 | 56,302 |
| 1960 | 903,583 | 243,231 | 660,352 | 165,088 | 60,808 |
| 1961 | 776,513 | 228,457 | 548,056 | 137,014 | 57,114 |
| 1962 | 701,467 | 183,931 | 517,536 | 129,384 | 45,983 |
| 1963 | 724,101 | 212,509 | 511,592 | 127,898 | 53,127 |
| 1964 | 610,783 | 218,035 | 392,748 | 98,187 | 54,509 |
| 1965 | 718,138 | 266,194 | 451,944 | 112,986 | 66,548 |
| 1966 | 685,693 | 229,565 | 456,128 | 114,032 | 57,391 |

Source: Federal Agencies' Field Offices.

# CASE STUDY DIGEST
# NEW HAMPSHIRE

## I. The State

a. **General Description**: New Hampshire is one of the smallest states in the Union, both in land area and population. It has a fairly diverse economy; manufacturing, forest industries and tourism-related activities are its major economic sectors.

The government of the state and its constituent local governments are organized in a manner which is somewhat unique. There are 10 counties, 13 municipalities, 221 townships and school districts and 85 special districts in the state.

The dominant unit of local government is the town or township. The New Hampshire town differs from the usual concept of an incorporated municipality in that the town boundaries are not limited to the urban area, but include all the open and rural land surrounding the urban area, so that practically all the land area in the state is included within the boundaries of the towns. There are a few minor exceptions involving 13 unincorporated places in Coos (12) and Carroll (1) counties. The town is responsible for nearly all governmental and administrative functions at the local level, including the appraisal and assessment of property and the levy of taxes, within the limits prescribed by the State of New Hampshire.

The county is vestigial, with few remaining functions, largely those of the sheriff, the welfare agency, and the county farm and/or county home. The county does not levy taxes but assesses each town for its share of the county operating budget. The boundaries of each town are within county lines and no town lies within more than one county.

Towns collect property taxes and certain other taxes for school districts, the county, the state, special districts (known as precincts), and the town's own operations.

The school districts operate as separate and distinct entities, independent of the towns, except that the towns are required to raise that part of the school's operating revenue which derives from the local property taxes. The school districts also receive substantial aid from various state programs and the Federal aid available to all states. Each town is governed by a group of selectmen, the elected body which functions as the executive, legislative and administrative arm of the local government. The selectmen do not have complete freedom in establishing tax rates and other fiscal matters. The State Tax Commission, an able and powerful agency in New Hampshire, exercises regulatory control over the towns and, where regulations are not promulgated, attempts to direct the towns to better fiscal practices by education and moral suasion.

b. Vital Statistics: Following are the vital statistics for the entire state:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 608 | 1966 | 4 | 677 | 11.3 |
| Urban 1/ | 1960 | 1 | 354 | 1966 | 6 | 394 | 11.3 |
| Rural | 1960 | 1 | 254 | 1966 | 6 | 283 | 11.4 |
| Employment (000) | 1959 | 2 | 198 | 1966 | 2 | 231 | 17.0 |
| Personal Income ($000,000) | 1960 | 3 | 1,305 | 1966<br>1 | 3 | 1,901 | 45.7 |
| Per Capita Income ($) | 1960 | 3 | 2,143 | 1966 | 3 | 2,808 | 31.0 |
| Public School Enrollment (K-12) | 1960 | 5 | 105,969 | 1965 | 5 | 133,706 | 26.2 |

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1/ Includes areas of 2,500 people or more.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. U. S. Bureau of Labor Statistics, Employment and Earnings Statistics for States and Areas, Nonagricultural Employment, Bulletin 1370-4, July, 1967.
3. U. S. Department of Commerce, Office of Business Economics, Survey of Current Business, August, 1967.
4. U. S. Bureau of the Census, Current Population Report, Series P-25, No. 273.
5. U. S. Department of Health, Education, and Welfare, Office of Education, Fall 1960 Enrollment, Teachers and Schoolhousing, and Fall 1966 Statistics of Public Schools.
6. Estimated by using data on urban and total population in Sales Management Magazine, Survey of Buying Power, June 10, 1967.

These figures show a modest growth rate for all items except personal and per capita income which have grown faster than all other items. Per capita income for 1966 is below average, due mostly to the fact that the population is rural. Also, public school enrollment (K-12) increased during the 1960-1965 at a rate well over twice the population increase.

The foregoing statistics are contrasted with those for the three public land intense case counties, Carroll, Coos and Grafton. They have experienced a decline in population, 1.8%, and a lesser increase in total personal and per capita income. The rate of increase for the six-year period in these counties was 31% for total effective buying income and 35% for per capita EBI. Employment rose by 11% as compared with 22% for the employment covered by social security for the state as a whole. In short, these public land intense counties lagged in their growth and economic development.

c. The Land: The state has a total land area of about 5.77 million acres, of which 12.2% are in Federal ownership, comprised as follows:

| | | | |
|---|---|---|---|
| Forest Service (FS) | - White Mountain N.F. | 678,477 | acres |
| Corps of Engineers (C of E) | - Flood Control Projects | 18,615 | " |
| Bureau of Sport Fisheries and Wildlife (BSF&W) | - Bird Refuge | 39 | " |
| Department of Defense (D of D) | - Air Force Installations | 7,879 | " |
| | - Army | 149 | " |
| | - Navy | 26 | " |
| Other | - Civil Agencies | 106 | " |
| | - Total | 705,291 | acres |

The only lands subject to current RS programs are those of the National Forest and Corps of Engineers administered civil projects. About 95% of the White Mountain National Forest is located in New Hampshire with the balance (36,867 acres) in Oxford County, Maine. The acreage figures quoted are the so-called "net acres" comprised of recovered and noncommercial forest (119,000 acres), commercial (73,000 acres), and commercial intense (532,334 acres).

The Corps of Engineers projects, some of which in 1966 were in the planning stage, involve two dams on the Merrimack River and one dam on the Livermore Falls.

## II. State Finance

a. General: The State of New Hampshire operates on a very narrow tax base. It is one of the few remaining states in the Union with neither an income tax nor a general sales tax. It relies for revenue on a conglomerate of special excise taxes: on tobacco, gasoline and, most recently (1967), a tax on restaurant meals and hotel-motel accommodations; sweepstakes; horse racing; a state liquor monopoly (state-owned stores), and so forth. One result of this weak state tax situation is that local governments receive less support from the state than in most other states. The consequence is a very high local property tax, among the highest in the nation. Knowledgeable public officials in New Hampshire recognize the inequity and failings of the present system and are hoping for and working towards a broad based state tax, either a sales tax, an income tax, or a combination of the two. (Such a tax law may be difficult to legislate, however, because of New Hampshire's legislative body. The New Hampshire legislature, relative to its population, is one of the largest in the world consisting of 400 representatives and 24 senators. The legislators are recompensed at the rate of $2.50 per day plus a mileage allowance. As a consequence of this small emolument the membership of the legislature is comprised almost entirely of retired persons, a few wealthy people and paid representatives of special interest groups. Changes in the existing tax structure have been opposed repeatedly.)

i. State Taxes: The New Hampshire Tax Commission administers and collects all the state taxes listed in Part I of the summary attached at the end of this digest.[1] The remaining state privilege taxes, listed in Part II of the summary, are administered by those agencies which regulate the relevant activity within the state. For example, the State Liquor Commission collects the alcoholic beverage tax;[2] the Secretary of State, corporate franchise taxes;[3] the Department of Safety. the gasoline and motor vehicle registration fees;[4] and the Aeronautics and Insurance Commissions, the aircraft and insurance taxes.[5]

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[1] N.H. REV. STAT.ANN (NHRSA) ch. 72 § 1 (1958). As indicated by this list, New Hampshire has no state property tax, nor any personal income tax.

[2] Id. at chs. 178 and 181 which includes all license fees for the manufacture, transportation and sale of alcoholic beverages.

[3] Id. at ch. 39 § 1.

[4] Id. at ch. 261 §§ 1-6.

[5] Id. at chs. 422 § 37, 402 § 56.

ii. *Local Revenues*: The state provides straight assistance payments from the State General Fund and shares some receipts with local governments. Local governments receive all of the revenues produced by state public utility and railroad tax,[6] the intangible income tax[7] and the state timber yield tax.[8] They also receive 40% of the tax on meals and rooms proceeds.[9] New Hampshire makes tax equivalency payments on state and national forest lands[10] and a tax equivalency payment reduced annually by 20% of the original payment on land acquired by the state for parks or recreational purposes.[11] The state's straight assistance programs are limited to educational and educational-related expenditures. These programs include vocational courses,[12] cooperative school programs,[13] school construction[14] and general public school assistance.[15] The state also provides assistance to the local authorities for construction and maintenance of highways[16] and bridges.[17]

Local governments derive most of their income through the exercise of their own taxing authority. The two basic local taxes are the general property tax[18] and the poll tax.[19] These are supplemented by dog[20] and business license[21] fees.

b. *Revenues and Expenditures*: Tables No. C-1 and C-2 contain 10-year data for state government receipts by sources and state government expenditures by major category, respectively.

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6/ *Id*. at ch. 82 § 31.
7/ *Id*. at ch. 77 § 34.
8/ *Id*. at ch. 79 § 14.
9/ *Id*. at ch. 78A § 23.
10/ *Id*. at ch. 219 § 32.
11/ *Id*. at ch. 216A § 3-a.
12/ *Id*. at ch. 188A § 12.
13/ *Id*. at ch. 198 § 13.
14/ *Id*. at ch. 198 § 15-a.
15/ *Id*. at ch. 198 § 8.
16/ *Id*. at chs. 240 § 4-2, 241 § 1-13.
17/ *Id*. at ch. 242 § 4.
18/ *Id*. at chs. 29 § 11, 41 § 35.
19/ *Id*. at ch. 80 § 1.
20/ *Id*. at ch. 466 § 4.
21/ *Id*. at ch. 78-A § 4.

In 1966, receipts were over twice the amount for 1957 with 42% of the state's 1966 receipts, exclusive of Federal payments, originating from property and other taxes, a remarkably high percentage considering that the state has no general income and sales taxes. The balance of state receipts was from other state revenues and the Federal government and includes receipts from revenue sharing programs. These receipts were passed on to the origin counties in their entirety.

State property tax collections increased over the 10-year period by 23.3% while collections from taxes rose almost 85%. Federal payments to the state rose by almost 257%, and in 1966 accounted for almost 20% of total receipts, whereas in 1957 they amounted to less than 11.5%.

In the three case counties, receipts from property tax collections rose during the 10-year period by about 77%, over three times the rate of increase for the state property tax collection. Contrarily, total receipts by these three counties rose only by about 80% as compared with the state's total revenue increase of over 108%.

As the only substantial Federal acreage in the state is in the national forest system, it is imperative to understand the state's taxing policy for forest lands.

The forest resources of New Hampshire are not subject to the same taxes as other general property in the state. In 1950, the state legislature recognized that the existing tax structure, which taxed the same tree year after year, with the conventional ad valorem property tax, was threatening the lumber industry in the state by making timber growing and cutting an uneconomical enterprise. As a consequence, a new law was passed exempting timber from the general property tax and imposing a 12% severance tax. Ten percent of this tax is rebated to local government for general purposes and 2% is kept by the state for debt amortization.[1] The severance tax is not restricted to timber grown on private lands but applies equally to all public lands.[2]

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[1] The state uses this revenue to amortize state bonds which were sold to provide the payments in lieu of property taxes on timberlands during the transition period. These are paid from a fund created as the Forest Conservation Aid Fund.

[2] Certain trees are not taxed under severance tax laws. These include fruit orchards, sugar trees, and trees past maturity for cutting which the authorities believe are being held to avoid severance taxes.

Table No. C-1a contains State tax data for the years 1957 and 1966. It shows that total state tax collections have almost doubled during the 10-year period although property tax collections have increased by only 23% and as a percentage of EBI have remained unchanged. Per capita state property taxes have increased slightly, from $3.56 in 1957 to $3.77 in 1966. Total state taxes have increased per capita at the rate of 57.4% but as a percent of EBI they have remained practically unchanged and, compared to other states, are extremely low.

State expenditures have risen by over 75% during the 10-year period; expenditures for education have increased at over twice that rate. State payments to units of local government have reached a level which is about three times that of 10 years ago though the total 1966 amount of $12.2 million is only about 7% of total state disbursements. Again, comparing with the three case counties, it is found that their total expenditures during the 10-year period rose by about 70% with over half of them being devoted to the cost of education ($13.3 million in 1966 out of a total of $22.6 million).

c. Property Tax: Table No. C-3 contains 10-year data for properties assessed for the levy of state property taxes. During this period total assessed value increased by 128% with the largest increase occurring in residential properties. These accounted for almost 79% of total assessed value in 1966. The relatively large increase in the assessed value of all taxable properties is, in large measure, attributable to the state's change in assessment policy which gradually increased the assessed value to 100% of actual market value. Concurrently, the state's mill rate was reduced. As a result, as shown in Column 1 of Table No. C-1, the collection of property taxes at the state level increased during the 10-year period by only 23% compared with the 128% increase in assessed values.

For the three case counties, the increase in assessed value also exceeded the increase in tax collected. The pertinent figures for the 1957-1966 period are a 97% increase in the property tax assessment and a 77% increase in property tax collection.

The state taxes all leasehold improvements on Federal lands which are taxed by local units of government. The total estimated assessed value of such leaseholds and improvements in 1966 was $239,000, yielding an estimated state tax revenue of only $233. This very low revenue level is due to the state's low property tax rate. By state statute, leasehold permits on Federal lands may not be taxed by the state and/or units of local government.

d. Bonded Indebtedness: In 1957, as of June 30, the state's net debt was $44.7 million. At about the same time, the net debt of all units of local government within the state (544 units) comprising counties, cities and towns, school districts, and precincts, was $40.4 million. As of 1966, the state's net bonded and note indebtedness had increased to $128.8 million, an increase of 190%. The summary at the end of this digest contains gross and net debt data by type. At the same time, the net outstanding debt of New Hampshire's units of local government was estimated to be about $100 million, reflecting an increase of about 150% over the 1957 debt.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs: The State of New Hampshire and its units of local government have obtained revenue sharing payments under two programs, the National Forest Fund and the Corps of Engineers Flood Control Program. The latter have amounted to only small payments which varied from a low of under $1,000 to a high of about $2,500 per year. Payments from the National Forest Fund have been of greater magnitude and have varied from a low of $34,000 in 1958 to a high of $73,000 in 1962. Table No. C-4 contains the 10-year data for applicable acreages and payments. These Federal payments have been passed on to towns in which the applicable Federal lands are located and no share is retained by the state, i.e. there is no direct income to the state from the existing RS programs.

b. Value of Free Goods and Services: The state has obtained a small amount of free materials and land uses, both provided by the Forest Service. It was estimated that the value of these free goods and services in 1966 was as follows:

| | |
|---|---|
| Mineral Materials | $11,800 |
| Public Utility Rights-of-Way | 500 |
| Other Rights-of-Way | 1,800 |
| Land for Other Uses (Warehouses, etc.) | 200 |
| Total | $14,380 |

c. Federal Facilities and Services Having Joint Use: The Forest Service also provides free services and the free use of certain of its equipment. Based on the cost of providing these services and the share of use by the state, their annual value was estimated as follows (1966):

| | |
|---|---|
| Fire Control | $12,540 |
| Personnel Training (Reforestation) | 2,500 |
| Public Information | 5,500 |
| Equipment Uses | 1,000 |
| Total | $21,540 |

d. Loss in Revenue As a Result of Sharing Net Versus Gross: In each of the years during the 10-year study period the Forest Service made K-V collections in the White Mountain National Forest. Table No. C-9 contains the appropriate figures. These show that the K-V Fund collections varied from a low of $15,600 in 1958 to a high of $40,300 in 1963. There does not appear to be any direct relationship between the amount of K-V Fund collection and net receipts from timber sales in each of the years. The resulting revenue share "lost" is shown in Column 5 of Table No. C-9; of course, this is a "loss" to the towns rather than the state.

d. Resource Expenditures - Management: As part of its routine land management activities, the Forest Service has made considerable resource program expenditures, all relating to the White Mountain National Forest, during each of the years of the 10-year study period. Table No. C-7 contains the appropriate data for the Forest Service's state-wide expenditures. It shows that the total annual budget rose from $419,000 in 1957 to over $1.2 million in 1966. The average for the 10-year period was about $873,000 per year. Table No. C-7a contains the expenditure details by expenditure category. About 42% of these expenditures are allocable to capital categories.

The land management activities of the Forest Service are comprehensive and include multiple use concepts. These include, for example, the development of the wildlife habitat and recreational facilities. Forest Service personnel participate on state committees such as civil defense, Governor's Forest Policy Committee, Mt. Washington Planning Committee and the State Game Commission. Likewise, Forest Service personnel assist in state and locally initiated development programs in the areas of tourism, sport and ski events.

The Corps of Engineers has not reported any resource program expenditures for the state. Its activities are generally confined to water reservoirs' development.

## IV. Burdens to State Government

a. Direct Burdens: As in other state studies, it was found to be most difficult, if not impossible, to identify specific financial burdens upon the state which are incurred as a result of the presence of public lands. Financial records of state government are typically not set up in a manner which provide an answer to such a specific question. In New Hampshire, it was found that the state is making certain resource development expenditures for the benefit of the products or services obtained from public lands. Likewise, it is quite evident that the state incurs some financial burdens for the construction and maintenance of state highways located within the national forest. Finally, the state's provision of payments in lieu of taxes to towns containing public lands represents a specific burden.

The State of New Hampshire, under its laws of 1959, Chapter 79, and its laws of 1967, Chapter 70, provides a reimbursement to or abatement of taxes due the state from its towns for loss of tax on Forest Reserve lands and land held by the state for operation and development as state forests. As such, these laws provide for a subsidy to the towns to the extent that, in respect of the Federal forest lands, the revenue sharing payments are less than the tax which might be obtained if the lands were in private ownership. However, it is contended by the various towns that the method of calculating the state reimbursement of the tax loss or the abatement of moneys due the state from the towns is such that it does not provide full reimbursements of the tax loss.

Unfortunately, state records do not permit the identification of the payment made by the state or the income lost to the state as applicable to the Federally owned lands only. However, in discussion with state officials, it has been determined that the amounts are of relatively small magnitude, at least since the time of enacting the timber severance tax. Of course, since that time the taxable value of forest lands has drastically declined while the income from the "new" tax source has compensated for that decline.

b. Indirect Burden: Because the state does not participate in the revenue sharing payments made by the Federal government, the loss of the state property tax,which would be due from the Federal lands if they were in private ownership, represents a net burden to the state. Table No. C-8 contains an estimate of this tax revenue loss. It is estimated at under $2,000 per year, averaging 0.30¢/acre. These figures might be compared with the gross tax loss to the New Hampshire towns and counties which, on an equivalent basis, amounts to almost $750,000 and averages $1.07/acre. The large difference is a function of the relatively small state tax rate compared with the local property tax rates.

## V. Impact of the Present System

The direct impact from the presence of Federal land and the existing revenue sharing programs for the State of New Hampshire is insignificant. The direct financial burdens upon the state are estimated to be no more than \$60,000[1] per year in addition to which there is the \$2,000 loss of state property tax. Indeed, these are net burdens upon the state because the revenue sharing payments are not retained by the state. However, in a state with total annual expenditures of over \$174 million, such direct burdens are insignificant.

Another measure of burden can be gained from the analysis of state aid to local units for public schools. In 1966 the per capita state aid was calculated to be \$17.44; in the three Federal land intense counties the per capita aid amounted to \$21.81 while for all other counties it was calculated to be \$16.67. Hence, the ratio of case counties to the state average is \$1.25[2] and reflects an additional financial burden upon the state. It is, of course, possible that this burden is caused by factors other than the presence of public lands.

A similar analysis for expenditures on roads and highways might have shown a similar situation, as it did in all other states; however, the state was unable to provide the data needed for such an analysis. Federal highway aid expenditures in the case counties amounted to only 59¢ for every dollar spend in the state as a whole. On a per capita basis, these expenditures in 1966 amounted to \$30.07 in non-case counties and \$16.64 in case counties, and a state average of \$28.05.

The lower Federal aid payments for highway and road construction in the national forest intense counties may be due to the expenditures of the Forest Service for this purpose. These include the annual appropriations from the Forest Highway Fund which for the last seven years of the study period amounted to \$176,344 annually.[3]

On the subject of Federal aid to the state and its local units of government, two additional aspects are worthy of mention. They are the relationship of the increase in Federal aid to the increase in revenue sharing and the state's exclusion from participation in the BPR Sliding Scale Highway Aid program.

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[1] Reflects an informed estimate of the 1966 state "subsidy" to towns on account of tax losses due to Federal land.

[2] This analysis is based on data supplied by the State Department of Education.

[3] Data in Table P-4.

Total Federal aid to the state and its units of local government, according to the reports of the Treasury, have increased from $10.6 million in 1957 to $40.8 million in 1966. On a per capita basis the figures are $18.55 and $60.29 respectively, reflecting an increase of 225%. Concurrently, receipts from revenue sharing have increased from 7.2¢ per capita to 9.8¢ per capita, a rate of increase of only 36%. Hence, the revenue sharing growth rate in New Hampshire has been considerably less than all the other Federal aid programs combined, a finding which is similar to the situation in all other case states.

Were it not for the exclusion of national forests, parks and monuments from the eligibility calculation for the BPR sliding scale payments, the state with its more than 5% land area in Federal ownership would have been eligible for Federal aid under this program. As shown in Table No. R-1, page 3, in the appendix entitled "Effects of Ineligibility for Participation in Sliding Scale Rates...", New Hampshire would have been eligible for Federal highway aid payments, in addition to those it received, of $6.54 million for the 10-year period. Assuming that the allocations under the Forest Highway Act and the RS from the National Forest Fund are made in lieu of the participation in the BPR sliding scale aid, deducting the 1957-1966 payments from these two sources amounting to $1.56 million1/ and $0.59 million2/ respectively, a net "loss" of $4.39 million remains. Quite obviously, this inequity is far more significant than the relatively small burdens previously identified.

On the positive side, there is considerable economic impact from the presence of the forest lands. Not only are wood-using industries a major factor in the state's economy but, also, the preponderance of recreational facilities in the state are located within the boundary of the White Mountain National Forest. Moreover, the extensive involvement of Forest Service personnel in forest resource development and the various other state and local activities cited previously are recognized as a great asset to the state's economy and its future development. As in all other case states, state officials have pointed out the need for increased revenues and the desire to be compensated for any and all financial burdens incurred by the state and its local units due to the presence of public land. These officials, however, have not substantiated their claims of inequity.

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1/ Ibid Table R-1.
2/ Table C-4.

Finally, the program of the Corps of Engineers, which is relatively new in New Hampshire and which has provided only very small revenue sharing payments, should again be mentioned. It is of great importance to the state and its socioeconomic development. Its significance is in assuring adequate water supplies for a variety of uses which, importantly, include tree nurseries and reforested areas.

Note: Table No. C-5 not applicable.
Table No. C-6 contained in text.

# STATE OF NEW HAMPSHIRE

## SUMMARY OF LEASEHOLDS AND POSSESSORY INTERESTS

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| Forest Service | Mineral Material, Right-of-Way, Recreational | $238,900 | $233[1] |
| | Total | $238,900 | $233 |

[1] State's share of the total state-wide collection of $9,390.

Source: Federal Agencies' Field Offices.

## BONDED INDEBTEDNESS, 1966

(Thousands of Dollars)

| Purpose | Face Value | 1966 Outstanding Balance |
|---|---|---|
| N. H. Turnpike Sinking Fund | $ 14,910 | $ 14,020 |
| Central Turnpike Sinking Fund | 14,885 | 14,168 |
| N. R. Underwood Toll Bridge Sinking Fund | 90 | (3) |
| Forest Conservation Sinking Fund | 483[1] | 950 |
| Recreational Sinking Fund | 956 | 867 |
| Hampton Sea Walls Sinking Fund | 785 | 743 |
| Aeronautics Sinking Fund | 380 | 388 |
| State Office Building Sinking Fund | 1,435 | 1,443 |
| General Fund - Note 1 | 43,888 | 43,888 |
| Highway Fund - Note 2 | 33,350 | 33,350 |
| Temporary Loans | 19,000[2] | 19,000 |
| Total Net Bonded and Note Indebtedness of the State of New Hampshire | $130,162 | $128,814 |

[1] Figure is less than outstanding balance for unexplained reason.

[2] Face value of bond not known.

Source: State Treasurer's Reports.

## NEW HAMPSHIRE

## SUMMARY OF STATE TAXES AND TAXING AUTHORITY

| Type of Tax | Citation |
|---|---|
| **Part I** | |
| Inheritance Tax | NHRSA ch. 86 § 1 |
| Tobacco Tax | NHRSA ch. 78 § 7 |
| Bank Tax | NHRSA ch. 84 §§ 1, 8 |
| Estate Tax | NHRSA ch. 87 § 1 |
| Public Utility Tax | NHRSA ch. 82 § 20 |
| Realty Transfer Tax | NHRSA ch. 78B § 8 |
| **Part II** | |
| Alcoholic Beverage Fees | NHRSA chs. 178, 181 |
| Corporate Franchise Fees | NHRSA ch. 83 § 1 |
| Aircraft Tax | NHRSA ch. 422 § 37 |
| Gasoline Tax | NHRSA ch. 265 § 4 |
| Motor Vehicle Tax | NHRSA ch. 262 §§ 1-6 |
| Tax on Meals and Rooms | NHRSA ch. 78A §§ 6, 78 |
| Pari-Mutual Tax | NHRSA ch. 284 § 23 |
| Insurance Tax | NHRSA ch. 402 § 56 |
| Timber Yield Tax | NHRSA ch. 79 § 13 |

TABLE NO. C-1

## STATE GOVERNMENT RECEIPTS BY SOURCE
(Thousands of Dollars)

STATE New Hampshire

| Year | Total Property Tax | Total Taxes | Taxes and Revenues | Receipts from Federal Government | Total Receipts |
|---|---|---|---|---|---|
| 1957 | $2,013 | $33,265 | $ 76,517 | $ 9,879 | $ 86,396 |
| 1958 | 2,141 | 35,003 | 80,406 | 16,525 | 96,931 |
| 1959 | 2,326 | 37,927 | 87,562 | 25,155 | 112,717 |
| 1960 | 2,366 | 41,737 | 99,170 | 28,939 | 128,109 |
| 1961 | 1,861 | 43,206 | 101,080 | 27,103 | 128,183 |
| 1962 | 1,772 | 46,317 | 106,135 | 29,578 | 135,713 |
| 1963 | 2,038 | 47,323 | 111,157 | 25,099 | 136,256 |
| 1964 | 2,201 | 50,114 | 116,780 | 31,791 | 148,571 |
| 1965 | 2,303 | 54,044 | 130,848 | 30,049 | 160,897 |
| 1966 | 2,483 | 61,478 | 144,863 | 35,259 | 180,122 |
| % Change 1957-1966 | 23.3 | 84.8 | 89.3 | 256.9 | 108.5 |

Source: Compendium of State Government Finances, U.S. Department of Commerce - Bureau of the Census, 1957-1966.

TABLE NO. C-1a

## STATE TAXES PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME, 1957 AND 1966

STATE New Hampshire

| Year | Total State Taxes ($000)1/ | | | | | State Property Taxes | | Total State Taxes | |
|---|---|---|---|---|---|---|---|---|---|
| | Total Sales & Gross Receipts (1) | Intangible Income (2) | Property (3) | Other2/ (4) | Total (5) | % of EBI (6) | Per Capita ($) (7) | % of EBI (8) | Per Capita ($) (9) |
| 1957 | 17,797 | 1,540 | 2,013 | 11,915 | 33,265 | 0.2 | 3.56 | 3.6 | 58.89 |
| 1966 | 38,082 | 2,289 | 2,483 | 18,626 | 61,478 | 0.2 | 3.77 | 3.7 | 92.71 |

1/ Excludes corporation net income taxes.

2/ Includes license, death & gift, severance, poll, document and stock transfer and other taxes.

Sources: Cols. (1), (2), (3), (4), (5): Compendium of State Government Finances, U.S. Bureau of the Census, 1957 and 1966.

Cols. (6), (7), (8), (9): Derived by using Effective Buying Income and Population series in the Survey of Buying Power, Sales Management, 1958 and 1967.

TABLE NO. C-2

## STATE GOVERNMENT DISBURSEMENTS BY MAJOR CATEGORIES
(Thousands of Dollars)

STATE New Hampshire

| Year | Education Expenditures | Highway Expenditures | Other State Expenditures | Total State Expenditures | Disbursements to Local Government Agencies | Total Disbursements |
|---|---|---|---|---|---|---|
| 1957 | $ 9,090 | $31,187 | $55,231 | $ 95,508 | $ 4,130 | $ 99,638 |
| 1958 | 11,097 | 34,018 | 57,529 | 102,644 | 5,446 | 108,090 |
| 1959 | 12,806 | 40,561 | 59,600 | 112,967 | 5,471 | 118,438 |
| 1960 | 13,750 | 42,422 | 60,629 | 116,801 | 5,975 | 122,776 |
| 1961 | 13,137 | 41,510 | 66,836 | 121,483 | 6,615 | 128,098 |
| 1962 | 13,544 | 40,381 | 67,748 | 121,673 | 6,664 | 128,337 |
| 1963 | 15,095 | 40,010 | 75,748 | 130,853 | 7,330 | 138,183 |
| 1964 | 18,332 | 42,302 | 81,865 | 142,499 | 8,800 | 151,299 |
| 1965 | 21,570 | 40,417 | 83,375 | 145,362 | 9,275 | 154,637 |
| 1966 | 24,208 | 46,190 | 92,066[1] | 162,464 | 12,249 | 174,713 |
| % Change 1957-1966 | 166.3 | 48.1 | 66.7 | 70.1 | 196.6 | 75.3 |

[1] Includes $13,152 for public welfare, $2,307 for hospitals, $3,330 for health, $3,607 for police and correction, $7,107 for natural resources, $2,092 for employment security administration, $36,072 for liquor stores, $1,809 for insurance trusts.

Source: Compendium of State Government Finances, U.S. Department of Commerce - Bureau of the Census, 1957-1966.

TABLE NO. C-3

State New Hampshire

## ASSESSED VALUE AND TAX RATE OF REAL PROPERTY BY LAND CLASS

(Thousands of Dollars)

| Year | (1) Residential | (2) Commercial, Industrial | (3) Public Utility | (4) Rural2/ | (5) Mineral, Timber Other Nat. Res. | (6) Personal3/ | (7) Other | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 766,449 | $ 66,455 | $115,237 | $ | $ 78 | $ | $ 98,423 | $1,046,642 |
| Aver. Tax Rate .1874mills | | | | | | | | |
| Item % of Total | 73.2 | 6.4 | 11.0 | | 4/ | | 9.4 | 100.0 |
| 1958 Assessed Value | 794,224 | 78,477 | 119,973 | | 49 | | 98,926 | 1,091,649 |
| Aver. Tax Rate .1960mills | | | | | | | | |
| 1959 Assessed Value | 834,180 | 86,994 | 123,479 | | 79 | | 98,369 | 1,143,089 |
| Aver. Tax Rate .2032mills | | | | | | | | |
| 1960 Assessed Value | 879,082 | 91,608 | 131,737 | | 76 | | 106,875 | 1,209,378 |
| Aver. Tax Rate .1959mills | | | | | | | | |
| 1961 Assessed Value | 961,313 | 97,126 | 134,810 | | 86 | | 113,672 | 1,307,007 |
| Aver. Tax Rate .1424mills | | | | | | | | |
| 1962 Assessed Value | 1,142,312 | 104,086 | 140,309 | | 362 | | 85,030 | 1,472,097 |
| Aver. Tax Rate .1203mills | | | | | | | | |
| 1963 Assessed Value | 1,232,490 | 109,147 | 142,686 | | 98 | | 93,434 | 1,577,855 |
| Aver. Tax Rate .1293mills | | | | | | | | |
| 1964 Assessed Value | 1,436,220 | 126,360 | 154,333 | | 136 | | 96,317 | 1,813,794 |
| Aver. Tax Rate .1214mills | | | | | | | | |
| 1965 Assessed Value | 1,635,631 | 143,504 | 174,560 | | 67 | | 119,923 | 2,073,756 |
| Aver. Tax Rate .1110mills | | | | | | | | |
| 1966 Assessed Value1/ | 1,881,017 | 172,143 | 189,343 | | 63 | | 144,443 | 2,387,011 |
| Aver. Tax Rate .1060mills | | | | | | | | |
| Item % of Total | 78.8 | 7.2 | 7.9 | | 4/ | | 6.1 | 100.0 |
| Increase/Decrease '66 vs. '57 | 145.4 | 159.0 | 64.3 | | (19.2) | | 46.8 | 128.1 |

1/Assessed value represents 100 percent of actual market value in 1966.
2/Included in Residential.
3/Included in Other.
4/Less than .05.
Source: New Hampshire Tax Commission Reports, 1957-1966, estimates and allocations by EDRDC.

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PUBLIC LAND LAW REVIEW COMMISSION

TABLE No. C-48
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE - NEW HAMPSHIRE | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 41237 | 34161 | 56166 | 67710 | 43120 | 73490 | 62907 | 69071 | 72935 | 66250 |
| PERCENT BASE YEAR | 100.0 | 82.8 | 136.2 | 164.2 | 104.6 | 178.2 | 152.5 | 167.5 | 176.9 | 160.7 |
| PROGRAM ACREAGE | 677404 | 677404 | 677533 | 677559 | 677660 | 678046 | 678104 | 678104 | 678476 | 678477 |
| REVENUE $ PER ACRE | 0.06 | 0.05 | 0.08 | 0.10 | 0.06 | 0.11 | 0.09 | 0.10 | 0.11 | 0.10 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 41237 | 34161 | 56166 | 67710 | 43120 | 73490 | 62907 | 69071 | 72935 | 66250 |
| PERCENT BASE YEAR | 100.0 | 82.8 | 136.2 | 164.2 | 104.6 | 178.2 | 152.5 | 167.5 | 176.9 | 160.7 |
| PROGRAM ACREAGE | 677404 | 677404 | 677533 | 677559 | 677660 | 678046 | 678104 | 678104 | 678476 | 678477 |
| REVENUE $ PER ACRE | 0.06 | 0.05 | 0.08 | 0.10 | 0.06 | 0.11 | 0.09 | 0.10 | 0.11 | 0.10 |

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.068 is shown as $0.06. Revenues per acre for all programs combined are affected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4C
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS,NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE - NEW HAMPSHIRE | | | | | | | | | | |
| FLOOD CONTROL PROGRAM | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 1079 | 1107 | 989 | 1448 | 1971 | 2023 | 1929 | 1826 | 1922 | 2490 |
| PERCENT BASE YEAR | 100.0 | 102.6 | 91.7 | 134.2 | 182.7 | 187.5 | 178.8 | 169.0 | 178.1 | 230.8 |
| PROGRAM ACREAGE | NA | 10564 | 11039 | 14463 | 17205 | 18016 | 18651 | 18760 | 18614 | 18615 |
| REVENUE $ PER ACRE | 0.00 | 0.10 | 0.09 | 0.10 | 0.11 | 0.11 | 0.10 | 0.10 | 0.10 | 0.13 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 42336 | 35268 | 57155 | 69158 | 45091 | 75513 | 64836 | 70895 | 74857 | 68760 |
| PERCENT BASE YEAR | 100.0 | 83.3 | 135.1 | 163.4 | 106.8 | 178.4 | 153.2 | 167.5 | 176.9 | 162.4 |
| PROGRAM ACREAGE | 677606 | 687968 | 688572 | 692402 | 696963 | 698062 | 696755 | 696884 | 697090 | 697092 |
| REVENUE $ PER ACRE | 0.06 | 0.05 | 0.08 | 0.10 | 0.06 | 0.11 | 0.09 | 0.10 | 0.1[illegible] | 0.10 |

NA = data not available.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.068 is shown as $0.06. Revenues per acre for all programs combined are affected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-7

State **New Hampshire**

SUMMARY OF FEDERAL RESOURCE
PROGRAM EXPENDITURES
ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 219,782 | $ 198,803 | $ 418,585 |
| 1958 | 303,686 | 130,703 | 434,389 |
| 1959 | 383,494 | 126,932 | 510,426 |
| 1960 | 504,749 | 208,356 | 713,105 |
| 1961 | 400,787 | 394,920 | 795,707 |
| 1962 | 522,389 | 518,601 | 1,040,990 |
| 1963 | 574,453 | 480,361 | 1,054,814 |
| 1964 | 731,942 | 582,234 | 1,314,176 |
| 1965 | 702,007 | 528,749 | 1,230,756 |
| 1966 | 723,444 | 490,271 | 1,213,715 |
| Average Year | 506,673 | 365,993 | 872,666 |
| Item % of Total, Average Year | 58.1 | 41.9 | 100.0 |

Source: Federal Agencies' Field Offices.

Federal Agency US Forest Service

Program White Mountain National Forest

State New Hampshire

TABLE NO. C-7a

Page 1 of 1

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 32,435 | $ 37,251 | $ 3,062 | $ 224,799 | $ 25,371 | $ 0 | $ 76,252 | $ 922 | $ 18,493 | $ 418,585 |
| 1958 | 34,197 | 43,034 | 4,379 | 166,051 | 26,606 | 0 | 136,300 | 972 | 22,850 | 434,389 |
| 1959 | 35,247 | 48,030 | 13,861 | 191,060 | 17,937 | 639 | 124,759 | 2,600 | 76,293 | 510,426 |
| 1960 | 30,336 | 69,967 | 2,650 | 447,462 | 11,113 | 102 | 120,936 | 1,769 | 28,770 | 713,105 |
| 1961 | 42,615 | 67,166 | 47,658 | 275,730 | 54,242 | 216 | 223,564 | 6,059 | 78,457 | 795,707 |
| 1962 | 51,659 | 79,058 | 73,958 | 341,195 | 93,508 | 1,945 | 297,264 | 21,394 | 81,009 | 1,040,990 |
| 1963 | 70,914 | 99,918 | 42,389 | 328,371 | 106,486 | 1,188 | 331,175 | 25,331 | 49,042 | 1,054,814 |
| 1964 | 141,634 | 93,450 | 32,125 | 476,545 | 118,008 | 702 | 319,943 | 21,032 | 110,737 | 1,314,176 |
| 1965 | 65,966 | 125,552 | 34,538 | 506,199 | 114,700 | 924 | 309,057 | 20,926 | 52,894 | 1,230,756 |
| 1966 | 54,003 | 116,455 | 37,974 | 399,415 | 128,232 | 1,368 | 348,829 | 23,487 | 103,952 | 1,213,715 |

Source: Federal Agencies' Field Offices.

## TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

State New Hampshire

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 x 3) (4) | State Tax Rate Mills (5) | Estimated Total Tax (Col. 4 x 5) (6) | Estimated Tax Per Acre (Col. 2 x 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | | | | | | |
| Forest - Commercial | $ 25.00 | 610,629 | $ 15,265,725 | .104 | $ 1,587 | 0.25 ¢ |
| Bare & Wasteland | 4.00 | 61,063 | 244,252 | .104 | 25 | 0.04 |
| Recreation Development Potential | 500.00 | 6,785 | 3,392,500 | .104 | 353 | 5.00 |
| C of E | | | | | | |
| Forest | 25.00 | 5,580 | 139,500 | .104 | 15 | 0.25 |
| Watershed | 2.00 | 13,035 | 26,070 | .104 | 3 | 0.02 |
| Totals 2/ | $ 27.35 | 697,0[illegible]2 | $ 19,068,047 | .104 | $ 1,983 | 0.30 ¢ |

1/ Composite produced from estimates for each land class or type (exclusive of timber value).
2/ Applying the average towns rate for 1966 of 39.3 mills to the total assessed value, a tax revenue of $749,373 or 107¢/acre would result.

Source: Federal Agencies' Field Offices, ERSNC estimates.

Federal Agency U.S. Forest Service
Revenue Sharing Program White Mountain National Forest. (212)[a]
State New Hampshire

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts ((Col. 1 - 2)) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 x a/) |
|---|---|---|---|---|---|
| 1957 | $ 185,856 | $ 18,888[1] | $ 166,968 | $ 41,237 | $ 4,722 |
| 1958 | 152,290 | 15,648[1] | 136,644 | 36,161 | 3,912 |
| 1959 | 254,536 | 29,870 | 224,666 | 56,166 | 7,468 |
| 1960 | 293,476 | 22,636 | 270,840 | 67,710 | 5,658 |
| 1961 | 197,203 | 24,723 | 172,480 | 43,120 | 6,181 |
| 1962 | 324,886 | 30,926 | 293,960 | 73,490 | 7,732 |
| 1963 | 291,909 | 40,281 | 251,628 | 62,907 | 10,070 |
| 1964 | 306,119 | 26,833 | 276,286 | 69,071 | 6,709 |
| 1965 | 320,118 | 28,378 | 291,740 | 72,935 | 7,094 |
| 1966 | 295,840 | 30,840 | 265,000 | 66,250 | 7,710 |

[1] Estimated by taking average percent K-V payments were of net payment for the years 1959-66, and applying to net payment 1957-58.

Source: Federal Agencies' Field Offices.

# CASE STUDY DIGEST
# WASHINGTON

## I. The State

a. General Description: Washington is one of the larger states in the nation in total land area, ranking twenty-first. In population according to the 1960 Census, it ranked twenty-third. Its population density of 43 persons per square mile makes it one of the less densely populated states, ranking thirty-first along with Minnesota. There are great variances in population density among the different areas of the state. Likewise, the growth patterns, climate and characteristics of settlement differ substantially between the state's two major parts. The state is divided by the Cascade Mountains which run north-south, providing an orientation towards Puget Sound in the Pacific for the western part of the state and an orientation towards the Plains in the eastern part of the state. In land area these two parts represent approximately one-third and two-thirds respectively.

There are 39 counties which vary in size from the largest, Okanogan, with almost 5,300 square miles to the smallest, San Juan, with only 172 square miles. The state also contains 263 municipalities and 66 townships; there are 411 school districts and 867 special districts.

The state has a fairly diversified economy although three of its five major industrial activities are forest resources oriented. In fact, forests are one of Washington's most valuable resources. After a century of continuous logging operations, more than 50% of the state's land acreage is covered with stands of evergreen trees. Almost 24 million acres of the state's land area are in forests. Reflecting the difference in climatic conditions between the eastern and western parts of the state, the eastern forests contain the nation's largest concentration of Ponderosa pine while in the west the largest concentration of Douglas fir predominates. The forest resources have provided the raw materials for the employment of almost 30% of the state's total manufacturing employment. The approximately 68,000 workers engaged in forest resource industries are employed in lumber and wood products, paper and allied products, and chemicals and allied products. In 1966, the combined output of of these industries exceeded $850 million of value added.

The state and local units of government have a conventional form of government with the state legislature providing the permissive legislation for the operations of subordinated units of government. The State Tax Commission has jurisdiction over the assessment and levying of taxes on all public utilities located within the state and the design and enforcement of tax equalization programs relating to state and county property taxes. Recognizing the importance of the preservation and orderly utilization of the state's natural resources, primarily the forest resource, a State Department of Natural Resources is charged with the responsibility of guarding and protecting the more than 12-1/4 million acres of state and private forest lands. This department operates 38 lookout stations in 22 districts spread throughout the state and its operations are closely coordinated with those of the Forest Service, the Bureau of Indian Affairs and the National Park Service. Similar to the State of Colorado, a Board of Natural Resources administers all state trust lands. The Commissioner heading this department is an elected official who has broad powers. Another important element in the state government structure is the Department of Game which is responsible for the management and preservation of all state-owned game and wildlife refuges. Its operations are closely coordinated with the Federal Fish and Wildlife Service and the Bureau of Sport Fisheries and Wildlife. As such, it operates the largest game range in the state though it is Federal property and falls under the jurisdiction of the Fish and Wildlife Service.

Yet another important element in state government is the Parks and Recreation Commission. It is charged with the creation and operation of the state park system. Under this mandate, this state commission has entered into a series of very complex arrangements with other state, but primarily Federal, agencies.

Recently (1967) the state created a new development department charged with overall and comprehensive planning in such areas as public land use programs and economic development. This department is expected to assist the planning processes at the various subordinated levels including metropolitan and multi-county areas.

b. Vital Statistics: Following are the vital statistics for the entire state:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population (000) | 1960 | 1 | 2,583 | 1966 | 4 | 3,041 | 6.6 |
| Urban[1] | 1960 | 1 | 1,943 | 1966 | 6 | 2,098 | 8.0 |
| Rural | 1960 | 2 | 910 | 1966 | 6 | 943 | 3.6 |
| Employment (000) | 1959 | 2 | 813 | 1966 | 2 | 987 | 21.5 |
| Personal Income (000,000) | 1960 | 3 | 6,706 | 1966 | 3 | 9,797 | 46.1 |
| Per Capita Income ($) | 1960 | 3 | 2,349 | 1966 | 3 | 3,222 | 37.2 |
| Public School Enrollment (K-12) | 1960 | 5 | 638,433 | 1966 | 5 | 753,068 | 18.0 |

The population growth for the state during the period 1960-1966 was below the national average and, with the exception of some 33,000 persons, this growth of 188,000 persons occurred in the state's urban areas. During the 1959-1966 period, employment and personal income grew at a substantially greater rate with a resulting 1966 per capita income well above the national average. Public school enrollment (K-12) grew at a rate almost three times that of the overall population growth. A comparison of these statistics with those for five selected case counties[2], all of which are public land intense, reveals that rates of growth in these counties were substantially below the state average. Not only has the rural population in these counties declined by about 1% but the overall population growth in these five counties, which account for about 4% of the 1966 state population, was less than 1%. Employment in these counties increased by only two-thirds the rate for the state and a per capita EBI of $2,205 as compared with $3,222 for the state was computed. Finally, public school enrollment declined in these counties by almost 9% during the 1960-1965 period.

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[1] Includes areas of 2,500 people or more.

[2] Jefferson, Okanogan, Skamania, Stevens and Whatcom Counties.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. U. S. Bureau of Labor Statistics, Employment and Earnings Statistics for States and Areas, Nonagricultural Employment, Bulletin 1370-4, July, 1967.
3. U. S. Department of Commerce, Office of Business Economics, Survey of Current Business, August, 1967.
4. U. S. Bureau of the Census, Current Population Report, Series P-25, No. 273.
5. U. S. Department of Health, Education, and Welfare, Office of Education, Fall 1960 Enrollment, Teachers and Schoolhousing, and Fall 1966 Statistics of Public Schools.

c. The Land: The state has a total land area of 42.7 million acres. Total Federal lands exceed 12.3 million acres and account for almost 29% of the state's total land area. About 11.4 million acres are lands as defined in Section 10, PL 88-606, of which about 10.4 million acres were subject to in lieu tax and revenue sharing programs in 1966. Of the Section 10 lands for which no in lieu tax or revenue sharing programs were available, those under the jurisdiction of the National Park Service account for over 1 million acres.

The Federal lands subject to PILT and RS programs in 1966 are comprised of the following acreages:

| | |
|---|---|
| Forest Service (FS) | |
| 9 National Forests | 9,957,502 |
| Corps of Engineers (C of E) | |
| Flood Control Projects | 91,995 |
| Bureau of Land Management (BLM) | |
| Outside Grazing, TG-15 | 221,906 |
| Public Land Sales | 6,403 |
| Bureau of Sport Fisheries and Wildlife(BSF&W) | |
| Wildlife Refuges | 92,938 |
| Bureau of Reclamation (B of R) | |
| Columbia River Basin | 58,885 |
| General Services Administration (GSA) | |
| Various Installations | 730[1/] |
| Total | 10,430,360 acres |

Additionally, the Federal Power Commission (FPC) makes revenue sharing payments from leases on an undeterminable quantity of land.

While the Federal government is the largest land owner in the state, the state itself owns almost 8%, close to 3.4 million acres of rural land.

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[1/] No payments have been made since 1964.

## II. Finance

a. General: The State of Washington operates on a broad tax basis comprised of a variety of general property, sales, gross receipts, licenses, occupation tax on gross income, excise, and other taxes.

Following is a brief description of the state's major taxes and sources of revenue for the local units of government:

i. State Taxes: The revenue system of the state is based primarily on ad valorem assessment and taxation of property. However, since 1933 the revenue needs of the state have been financed largely by occupation (a type of income) and other taxes, including a general sales tax. The State Tax Commission administers all taxes[1/] except for the state property tax. For the latter, the Tax Commission merely supervises and advises the county assessors and treasurers who assess all property within their jurisdictions, collect the taxes due, and apportion the receipts among the taxing authorities.[2/]

A listing of the state's major taxes and the authority for their imposition is contained in the summary appended at the end of this digest.

ii. Local Revenues: Local revenues are derived from three principal sources -- The Federal government, the state and the taxing authority of the local governments themselves. The counties, cities, towns and special districts all have the authority to tax real property. The counties are also authorized to levy admission,[3/] real estate sales,[4/] dog license[5/] and private ferry taxes.[6/] State aid to local taxing units comes in two basic forms. The first is a sharing of state revenues. For example, local governments receive 6.5¢ of every 7.5¢ collected under the fuel use tax;[7/] they also receive 95% of the revenues from the motor vehicle excise tax,[8/] and all of the alcoholic beverage net receipts.[9/] More recently, they receive all their revenues from the alcoholic beverage tax after the deduction of administrative expenses and all the net revenues of the State Liquor Control Board after a sum has been deducted to defray the cost of research at the University of Washington.

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[1/] REV. CODE of WASH., ANN. (RCWA) Tit. 84. § 02.020, 83. § 32.(1963).
[2/] Id. at ch. 84 § 56.010.
[3/] Id. at ch. 36 § 38.010 (1963).
[4/] Id. at ch. 28 § 45.050.
[5/] Id. at ch. 36 § 49.010.
[6/] Id. at ch. 36 § 53.020.
[7/] Id. at ch. 82 § 40.290.
[8/] Id. at ch. 82 § 44.020.
[9/] Id. at chs. 82 § 08.170 and 66 § 08.190.

The state also shares revenues from sources other than tax receipts. Thus, 50% of the receipts from sales and leases on certain state forest lands[10/] and 75% of the rentals from state harbor areas and tidelands[11/] are returned to the counties producing the revenues. The counties also retain all fines collected on state parks, forests,[12/] and game lands or if the game is over 100 acres, the county may elect to take a tax equivalency payment.[13/]

The second form of state assistance to local governments takes the form of straight aid payments. The most extensive of these programs deals with local educational needs. Washington makes tax equalization payments to qualified school districts,[14/] reimburses school districts for school transportation[15/] and vocational courses,[16/] and distributes money to nursery schools[17/] and local school construction and maintenance.[18/]

The State Department of Health has discretion to make assistance payments to the counties for the purpose of public health[19/] and the Tax Commission makes equalization payments to the counties for the care of tubercular patients.[20/]

Finally, the state also has an aid program for local reclamation districts.[21/]

b. Revenues and Expenditures: Tables Nos. C-1 and C-2 contain 10-year data for state government receipts by sources and state government expenditure by major category respectively. It should be noted that the data in these tables, taken from the Compendium of State Government Finance, U. S. Department of Commerce, Bureau of the

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[10/] *Id.* at ch. 78 § 12.120.
[11/] *Id.* at ch. 79 § 16.180.
[12/] *Id.* at ch 76 § 04.130.
[13/] *Id.* at ch. 77 §§ 12.201 and 12.203.
[14/] *Id.* at ch. 28 § 41.080.
[15/] *Id.* at ch. 28 § 24.010.
[16/] *Id.* at ch. 28 §§ 09.050 and 09.060.
[17/] *Id.* at ch. 28 § 34.020.
[18/] *Id.* at ch. 28 § 47.070.
[19/] *Id.* at ch. 70 § 12.015.
[20/] *Id.* at ch. 70 § 32.021.
[21/] Id. at ch. 80 § 16.040.

Census, vary from the data published by the state. However, the Census data were chosen for the purpose of this study in order to utilize a consistent data source for all state and resource studies conducted within the framework of this project. The state's reliance on property taxes has not abated during the 10-year study period, although it is not a major source of state revenue. Except for payments to the state by the Federal government, collections from property taxes increased at the greatest rate. While in 1957 they accounted for slightly over 4% of all taxes and revenues, in 1966 they accounted for over 5%. Total receipts during the 10-year period more than doubled while receipts from the Federal government more than tripled.

Payments in lieu of taxes made by the Federal government under legislation passed in 1965 are apportioned to the state and local taxing districts which would be entitled to share in the property taxes in lieu of which such payments are made. They are shared in the same proportion that the state and such taxing units would have shared in such property taxes if same had been levied.

Also in 1965 the state enacted a bill providing for the disposition of certain fees, fines and forfeitures and imposing an in lieu tax on real property owned by the state and used as game lands. This legislation, as mentioned in Section a.ii., gives county commissioners an option to share in the revenues obtained from state game lands or, alternatively, to obtain payment of in lieu of real estate taxes equal to the amount which would be paid on similar parcels of real estate if they had been in private ownership. This legislation does not specify the method to be employed by county tax assessors in assessing these state-owned lands; however, it does prescribe that no tax payments shall be assessed on any building structures or construction facilities owned by the state nor shall any tax payment be assessed on any area of less than 100 acres in size. For counties electing the in lieu tax payment, the state is given any and all rights of appeal and adjustment of taxes or assessments as would any other owner of real property subject to taxation and assessment. While a majority of the eligible counties have opted for the in lieu tax payments, those which participate in the revenue sharing alternative obtain 50% of all fees, fines and forfeitures which must be collected by the county, while under the in lieu tax payment provision they must also collect these revenues and transmit them to the state.

Table No. C-1a evidences the large increase in per capita state taxation. The increase in per capita property tax during the 10-year period was over 104% while the increase in all state taxes including property tax was 76%. Due to the large rise in personal income, the increase in total state tax as a percent of EBI amounted to less than 20% for the 10-year period.

The state has provided legislation under which third party interests upon Federal (and state) lands are to be taxed by the local taxing jurisdictions in the same manner as if they were upon private lands. This taxing authority includes the taxation of grazing permits and mining claims which are to be taxed as personal property. However, the survey at the taxing district level has revealed that such personal property is not presently on the tax rolls. Conversely, it was estimated that throughout the state recreational, commercial and residential leasehold improvements upon Federal lands are assessed at a total value of $2.1 million yielding $29,500 in state tax revenue. These same properties yield an estimated total of $116,000 in combined state and local property taxes.[1/]

The rate of increase in state expenditures over the 10-year period was 76%. However, expenditures for education increased by over 242% while expenditures for highways, distribution to local government and other state expenditures increased at rates from 48% to 75%. Included in the receipts from the Federal government and the disbursements to local government agencies are the moneys received under the in lieu tax and revenue sharing programs. In this connection, while the state has always distributed all of the moneys received from these programs to its counties, it amended its relevant legislation in 1965 providing for earmarking of 50% of the distribution of Forest Reserve Funds for the benefit of public schools, including school maintenance and building purposes and the balance for the benefit of public roads of each recipient county. Hitherto, County Commissioners held discretion as to the share of funds to be earmarked for either of these expenditure categories.

b. Property Tax: Table No. C-3 contains detailed figures for the state's assessed value and tax rate of real property for the 10-year period. The total tax base increased by over 75% although the assessed value of public utilities declined by one-third. The increase in assessed values outside cities and towns substantially exceeded that inside the cities yet the latter accounts for over 54% of the total tax base. Assessed values as a percent of true market value vary by type of property from 15% to 30%. Efforts by the State Department of Revenue to equalize the assessment rate have been conducted for several years. The state tax rate increased by almost 40% and the 1966 rate of 14.02 mills reflects a rather high weighted average as compared with that for other states; conversely, the absence of a personal income tax compensates for this high rate.

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1/ Tax estimates based on average tax rates of 14.02 mills for the state and 55.16 mills for local and state.

c. Bonded Indebtedness: Similar to most states in the Union, Washington substantially increased its bonded debt during the 10-year study period. Figures obtained from the Compendium of State Government Finances, which do not jibe with figures published by the state, show that during the 1957-1966 period the state's bonded indebtedness more than doubled. Of the more than $273 million increase in outstanding indebtedness, about $182 million were incurred for school purposes. State highway programs accounted for an increase of over $64 million. The summary at the end of this digest contains the figures for the outstanding indebtedness as of 1966.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs: The State of Washington and its units of local government obtained revenue sharing and in lieu tax payments under the following programs:

1. Related to Section 10 Lands:

   National Forest Fund
   Taylor Grazing Act, Section 15
   Mineral Leasing Act
   Sale of Public Lands Act - land, timber, etc.
   Migratory Bird Act

2. From Other Lands:

   Flood Control Act
   General Services Administration (GSA)
   Columbia River Basin
   Defunct Reconstruction Finance Corporation
     (RFC, Air Force)
   Federal Power Commission

As noted earlier, the state has consistently rebated all of the Federal payments to the counties from which the revenues were generated and also in the case of in lieu payments to counties in which the pertinent lands are located. Again as noted earlier, the in lieu tax payments are calculated in such a manner that the state is refunded by the county its proportionate share of the state tax which would be due from these properties if they were taxed.

Table No. C-4 contains acreage and payment data, to the extent available, for the period 1957-1966. During this period, total payments remained relatively stable although from year to year there was considerable fluctuation. The 1966 payment of $6.2 million is the second highest for the entire 10-year period. In that year, 1966, RS payments from the national forests within the state accounted for over 95% of the total. The 1966 payment obtained from the BSF&W reflects an increase of more than $30,000 over the previous year, this being a function of in lieu tax payments as compared with the previous exclusively revenue sharing payments. The magnitude of payments under all of the other programs are relatively insignificant especially when viewed in relation to the acreage upon which such payments are made. While the payments from the National Forest Fund have provided to the recipient counties revenues exceeding 60¢/acre, all the other payments combined have yielded less than 5¢/acre. Put differently, the contributions made to state and local government finance, other than those from the national forests, are negligible.

b. Value of Free Goods and Services: The Forest Service, Bureau of Sport Fisheries and Wildlife and Bureau of Land Management have provided various departments of state government with the free use of certain tracts of land as rights-of-way, a building site and gravel pits. It was estimated that the value of these free uses in 1966 was as follows:

| Agency | Nature of Free Goods and Services | Total Value |
|---|---|---|
| FS | - Rights-of-Way | $ 180,000 |
| | - Rights-of-Way (Roads) | 8,735 |
| | - Rights-of-Way (Power Lines) | 2,065 |
| | - Building Site | 13,300 |
| | - Gravel Pit | 1,000 |
| BLM | - Right-of-way | 250 |
| | - Gravel | 100 |
| | - Total | $ 205,450 |

c. Federal Facilities and Services Having Joint Use: Though it was reported that the Federal agencies provide free use of certain of their facilities to various units of local government, no such benefits were reported by any of the agencies for units of state government.

d. Loss in Revenue As a Result of Sharing Net Versus Gross: The Forest Service has reported the collection of K-V Funds in each of the 10 study years. These collections varied from a low of $297,000 in 1957 to an all-time high of almost $2.1 million in 1966. They show a continuing increase in the percentage they represent of gross forest receipts. While the 1966 K-V Fund collection was about 8% of gross receipts, the 1957 collection was under 2%. The resulting revenue share "lost" to the counties reached a high of over $524,000 in 1966, equal to slightly under 9% of the net payment. Table No. C-9 contains the appropriate figures for the 10-year period.

e. Sliding Scale Highway Aid Benefits: The State of Washington is eligible for participation in the BPR Sliding Scale Highway Aid program and it received payments under this program in each of the study period years. The appropriate figures are contained in Table No. C-5. They show that in 1966 the total payment to the state attributable to the presence of public lands was $1.4 million. Of this amount, $1 million was applicable to the State Highway program and the balance to the Federal Interstate Highway program.

f. Resource Expenditures - Management: Only the Forest Service has made substantial resource program expenditures in the state during each of the study years. Its expenditures increased consistently and totaled over $28 million in 1966. Though the other land management agencies have also made resource program expenditures, they are of relatively small magnitude and their data are incomplete. Table No. C-7 contains a summary of the expenditures for all the agencies. It shows an average for the years 1963-1966 of over $25 million, of which almost 35% were of a capital expenditure nature. Tables Nos. C-7a1, 2, 3, 4 and 5 contain the detailed resource program expenditures for each agency and by expenditure category to the extent that these data were available.

The Forest Service reported performing a large variety of land management functions including related services performed indirectly on or for Federal lands through its regional office, Division of State and Private Forestry. Such services include counseling and technical advice in such areas as timber stand improvement, forest insect and disease control, recreation development, reforestation, Christmas Tree production, wood utilization and marketing of forest products. Additionally, the Forest Service has reported participating annually in the state-Federal growth forestry program. Within that framework, funds were appropriated to reimburse the state for expenditures incurred in insect and disease protection, fire prevention and reforestation upon state-owned land. The BSF&W also reported that it was engaged in a broad multipurpose land management program which, besides the operation of wildlife refuges, per se, also includes management of timber stand improvement and timber sales. The Bureau of Reclamation in the Columbia River Basin Project area reported activities in grazing land improvements, the provision of game and waterfowl hunting areas, reforestation and revegetation. BLM's program in the state is reported to include the construction and maintenance of logging roads, timber stand improvements and timber sales and mineral investigation, besides the conventional land management functions. The Corps of Engineers reports being engaged in timber sales and the development and maintenance of recreational facilities in addition to its conventional functions in connection with its flood control programs. It also reports acting as a referral agency for the General Services Administration in connection with sales of lands under C of E control.

g. Forest Highway Appropriations: The State of Washington also participates in the appropriations for the Federally financed Forest Highway program. The appropriation for the state for the years 1960-1966 amounted to $2,293,608 annually.

## IV. Burdens to State Government

a. Direct Burdens: The several departments of state which are engaged directly or indirectly in the provision of state services upon or related to Federal lands were unable to identify any specific financial burdens caused by the presence of public lands. Admittedly, and as referred to earlier, several departments of the state, including the Department of Natural Resources, the State Highway Department and the State Department of Game are heavily involved in the development and administration of a variety of programs which relate directly to the various types of Federal lands. In this connection, considerable expenditures both of a capital and operating nature are incurred. One such was mentioned before in connection with the management activities of the Forest Service. As stated there, the Federal government provides direct appropriations to reimburse the state for its activities though it was understood that these relate primarily to state-owned forest lands. Officials of state government contend that to the extent capital and/or administrative expenditures are incurred these would also be incurred, perhaps at a greater rate, if these programs were conducted for the exclusive benefit of state, local and/or privately owned lands.

b. Indirect Burden: The loss of state property tax which would be due from the Federal lands if they were in private ownership represents a net burden to the state. An estimate of the assessable value of the lands subject to current PILT and RS programs and applying thereto the weighted average state tax rate results in a potential tax estimate of over $3.1 million, equal to an average of 30¢/acre. The detailed figures for this estimate are contained in Table No. C-8. Applying the estimated total assessed value to the average local and state rate, excluding municipal levies, results in a total tax estimate of over $12.3 million or an average of $1.19/acre. Whereas the 10.4 million acres which were subject to PILT and RS payments in 1966 represent over 24% of the total state area, the estimated potential state property tax collection of $3.1 million would amount to less than 6% of state property tax collected from the privately owned lands and improvements in the state.

## V. Impact of Present System

Though very few direct benefits to state finances have been identified in this digest, according to state officials there is considerable positive impact from the present Federal land management programs. There is no positive impact upon state finances from the present PILT and RS programs as, with one very minor exception, all moneys are rebated to local units of government and the state benefits exclusively from a small magnitude of in kind services and the BPR sliding scale payments.

Due to the substantial Federal land ownership within the state and the fact that most of it is in commercial forests, which in turn feed three of the state's most important industrial activities, the presence of Federal lands plays an important role in the economy of the state. Conversely, the substantial direct impact is identifiable at the level of local government but not so at the level of state government. Since 1906, units of local government have obtained over $80 million in Forest Reserve Funds. One county alone, Skamania, shared almost $17 million in Forest Fund revenues during that period. At the state level, however, there has been little or no direct revenue contribution except for the BPR sliding scale payments.

The Forest Fund payments to counties in Washington reflect a substantial disparity which results from the substantial difference in value of the different forest species. Comparing per acre payments, one county in western Washington, with its valuable stands of Douglas fir, obtained in 1966 revenue sharing payments amounting to over $1.65/acre. This compares with the payments to an eastern county with its predominant Ponderosa pine stands which averaged only 9¢/acre.

Again, at the county level the earmarking of revenue sharing payments appears to have done more of a disservice than a benefit. The counties receiving substantial revenue sharing payments have well-balanced budgets for school and highway expenditures, yet they appear relatively deficient in all other expenditure categories. The state's modification of the earmarking statute cited earlier in this digest has attempted to obtain a better balance by prescribing the 50-50 apportionment; however, it may be that one reason for this legislation was to thereby reduce these counties' dependence upon state grants for these expenditure categories.

In this context, and as an additional technique for the analysis of potential financial burdens upon the state, the payments by the state to local units for public schools and allocations by the Federal government for highway and road expenditures were disaggregated to obtain the per capita payments by county. The results of these calculations are shown below:

Per Capita Expenditures for Selected Items

| | Aid to Public Schools[1] | Road and Highway[2] |
|---|---|---|
| State Average ($) | 66.45 | 24.60 |
| Non-Case Counties ($) | 66.51 | 24.43 |
| Case Counties (5), ($) | 65.03 | 28.51 |
| Ratio-Case Counties to State | 0.98 | 1.16 |

These results tend to confirm the forest intense counties' lesser reliance upon state aid for education and only a slightly greater participation in Federal highway aid than the rest of the state; the two expenditure categories combined amount to only 3% more, per capita, in the case counties as compared with the state average.

Though the State of Washington and its local units appear to fare substantially better from the existing revenue sharing programs than many other public land intense states -- thanks to the relatively high productivity of the preponderance of Federal lands in Washington -- there is considerable disparity between the growth of the revenue sharing payments and all the various Federal aid programs. The latter, according to reports of the Treasury, have increased per capita from $28.70 in 1957 to about $75 in 1966, a rate of increase of 161.4%. In lieu tax payments and revenue sharing have increased by only 14.1% during this period.

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[1] State and Federal funds disbursed by Superintendent of Public Instruction.
[2] Amounts authorized for Federal aid highway and other highway projects financed by the Bureau of Public Roads.

Sources: State of Washington, 48th Annual Report of the Supt. of Public Instruction, July 1, 1964., U. S. Bureau of Public Roads, Federal Highway Administration (special tabulation) June 20, 1966.

Another area worthy of mention relates to the development of the state's recreation and tourism industry which, to a large measure, is closely related to, if not directly involved with, Federal lands. A typical arrangement is that between the Forest Service and the State Parks and Recreation Commission in connection with properties at Mt. Pilchuck. It requires the state to maintain a logging road which now serves a ski area within the state park. The development of the ski area itself has been the responsibility of a concessionaire with the state retaining responsibility for certain operational and maintenance functions including snow removal on the mentioned logging road. The state claims expenditures of about $500,000, yet the revenue from the concessionaire is evenly divided between the Forest Service and the state government and is only 3% of the concessionaire's gross revenues. Consequently, only minimal revenues have been obtained by the state. In this instance, which is reportedly a typical example, the state claims inadequate reimbursement for its expenditures while the Federal agency continues to obtain revenues without incurring continued expenditures. Obviously, this type of arrangement is beyond the framework of routine revenue sharing provisions. For its proper evaluation, not only in kind benefits, but also indirect economic benefits must be considered, a subject not within the scope of this study.

Note: Table No. C-6 excluded, data contained in text.

## WASHINGTON

### BONDED INDEBTEDNESS, 1966
(Thousands of Dollars)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | NA | $246,231 |
| Highways | NA | 185,516 |
| Veterans | NA | 21,885 |
| Other | NA | 101,091 |
| Total | NA | $554,723 |

Source: State Government Finances in 1966, U. S. Department of Commerce, Bureau of the Census, 1966.

## WASHINGTON

## SUMMARY OF STATE TAXES AND TAXING AUTHORITY

| Type of Tax | Citation |
|---|---|
| State Property Tax | RSWA ch. 84 § 56.020 |
| Business and Occupation Tax | RSWA ch. 82 § 04.220 |
| Retail Sales Tax | RSWA ch. 82 § 08.020 |
| Alcoholic Beverage Tax | RSWA chs. 82 § 08.170, 66 § 08.190 |
| Use Tax | RSWA ch. 82 § 12.020 |
| Public Utility Tax | RSWA ch. 82 §§ 16.020, 16.025.6 |
| Conveyance Tax | RSWA ch. 82 § 20.020 |
| Cigarette Tax | RSWA ch. 82 §§ 24.020, 24.040 |
| Tobacco Products Tax | RSWA ch. 82 § 26.060 |
| Vending Machine Tax | RSWA ch. 82 § 28.020 |
| Motor Vehicle Fuel Tax | RSWA ch. 82 § 36.020 |
| Fuel Use Tax | RSWA ch. 82 § 82 § 40.020 |
| Motor Vehicle Excise Tax | RSWA ch. 82 § 44.020 |
| Aircraft Tax | RSWA ch. 82 § 48.020 |
| House Trailer Tax | RSWA ch. 82 § 50.020 |
| Motor Vehicle Fuel Importers Tax | RSWA ch. 82 § 37.030 |
| Inheritance Tax | RSWA ch. 83 § 08.010 |
| Gift Tax | RSWA ch. 83 § 56.040 |
| Insurance Tax | RSWA ch. 4 § 14.020 |
| Corporate Fees | RSWA ch. 23 § 60 |

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## TABLE NO. C-1

## STATE GOVERNMENT RECEIPTS BY SOURCE
(Thousands of Dollars)

STATE Washington

| Year | Total Property Tax | Total Taxes | Taxes and Revenues | Receipts from Federal Government | Total Receipts |
|---|---|---|---|---|---|
| 1957 | $ 22,984 | $ 354,922 | $ 567,417 | $ 72,547 | $ 639,964 |
| 1958 | 25,116 | 374,351 | 590,318 | 100,041 | 690,359 |
| 1959 | 27,040 | 417,975 | 649,420 | 134,131 | 783,551 |
| 1960 | 34,017 | 460,770 | 712,827 | 116,334 | 829,161 |
| 1961 | 33,892 | 477,361 | 743,188 | 113,491 | 856,679 |
| 1962 | 36,311 | 522,575 | 810,947 | 147,799 | 958,746 |
| 1963 | 39,585 | 549,689 | 852,653 | 164,400 | 1,017,053 |
| 1964 | 42,264 | 561,660 | 889,482 | 187,066 | 1,076,548 |
| 1965 | 46,207 | 601,586 | 953,819 | 205,369 | 1,159,188 |
| 1966 | 52,329 | 696,522 | 1,083,420 | 237,615 | 1,321,035 |
| % Change 1957-1966 | 127.7 | 96.2 | 90.9 | 227.5 | 106.4 |

Source: Compendium of State Government Finances, U.S. Department of Commerce - Bureau of the Census, 1957 to 1966.

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TABLE NO. C-1a

## STATE TAXES PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME, 1957 AND 1966

STATE Washington

| | Total State Taxes ($000)1/ | | | | | State Property Taxes | | Total State Taxes | |
|---|---|---|---|---|---|---|---|---|---|
| Year | Total Sales & Gross Receipts (1) | Individual Income (2) | Property (3) | Other2/ (4) | Total (5) | % of EBI (6) | Per Capita ($) (7) | % of EBI (8) | Per Capita ($) (9) |
| 1957 | 295,031 | 0 | 22,984 | 36,907 | 354,922 | 0.4 | 8.34 | 7.0 | 128.80 |
| 1966 | 568,234 | 0 | 52,400 | 75,888 | 696,522 | 0.6 | 17.05 | 8.3 | 226.68 |

1/ Excludes corporation occupation taxes.

2/ Includes license, death & gift, severance, poll, document and stock transfer and other taxes.

Sources: Cols. (1), (2), (3), (4), (5): Compendium of State Government Finances, U S Bureau of the Census, 1957 and 1966.

Cols. (6), (7), (8), (9): Derived by using effective Buying Income and Population series in the Survey of Buying Power, Sales Management, 1958 and 1967.

TABLE NO. C-2

## STATE GOVERNMENT DISBURSEMENTS BY MAJOR CATEGORIES
(Thousands of Dollars)

STATE Washington

| Year | Education Expenditures | Highway Expenditures | Other State Expenditures | Total State Expenditures | Disbursements to Local Government Agencies | Total Disbursements |
|---|---|---|---|---|---|---|
| 1957 | $ 56,301 | $ 93,854 | $ 295,904 | $ 446,059 | $ 178,710 | $ 624,769 |
| 1958 | 80,284 | 106,018 | 341,189 | 527,491 | 187,169 | 714,660 |
| 1959 | 94,082 | 136,446 | 357,396 | 587,924 | 195,341 | 783,265 |
| 1960 | 98,371 | 91,354 | 361,018 | 550,743 | 216,326 | 767,069 |
| 1961 | 121,972 | 106,058 | 418,242 | 646,272 | 234,638 | 880,910 |
| 1962 | 129,587 | 119,585 | 402,614 | 651,786 | 261,628 | 913,414 |
| 1963 | 152,944 | 150,983 | 416,747 | 720,674 | 288,482 | 1,009,156 |
| 1964 | 156,599 | 133,319 | 432,758 | 722,676 | 288,797 | 1,011,473 |
| 1965 | 162,333 | 161,542 | 459,949 | 783,824 | 316,766 | 1,100,590 |
| 1966 | 192,795 | 164,607 | 437,596 | 794,998 | 307,424 | 1,102,422 |
| % Change 1957-1966 | 242.4 | 75.4 | 47.9 | 78.2 | 72.0 | 76.4 |

Source: Compendium of State Government Finances, U S. Department of Commerce - Bureau of the Census, 1957 to 1966.

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TABLE NO. C-3

State Washington

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

(Thousands of Dollars)

| Year | (1) Residential | (2) Commercial, Industrial 2/ | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. | (6) Personal | (7) Other | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | 1,185,133 | | 90,118 | 765,159 | 81,697 | | | 2,122,107 |
| Aver. Tax Rate 10.83 mills | | | | | | | | |
| Item % of Total | 55.9 | | 4.2 | 36.1 | 3.8 | | | 100.0 |
| 1958 Assessed Value | 1,257,661 | | 85,872 | 830,880 | 88,265 | | | 2,262,678 |
| Aver. Tax Rate 11.10 mills | | | | | | | | |
| 1959 Assessed Value | 1,325,058 | | 84,670 | 890,178 | 90,595 | | | 2,390,501 |
| Aver. Tax Rate 11.31 mills | | | | | | | | |
| 1960 Assessed Value | 1,408,076 | | 79,959 | 963,516 | 98,570 | | | 2,550,121 |
| Aver. Tax Rate 13.34 mills | | | | | | | | |
| 1961 Assessed Value | 1,490,931 | | 74,592 | 1,014,548 | 100,227 | | | 2,680,298 |
| Aver. Tax Rate 12.64 mills | | | | | | | | |
| 1962 Assessed Value | 1,564,452 | | 71,126 | 1,095,399 | 108,491 | | | 2,839,468 |
| Aver. Tax Rate 12.79 mills | | | | | | | | |
| 1963 Assessed Value | 1,650,505 | | 70,503 | 1,170,713 | 108,145 | | | 2,999,866 |
| Aver. Tax Rate 13.20 mills | | | | | | | | |
| 1964 Assessed Value | 1,731,669 | | 69,749 | 1,240,392 | 115,854 | | | 3,157,664 |
| Aver. Tax Rate 13.38 mills | | | | | | | | |
| 1965 Assessed Value | 1,839,821 | | 62,567 | 1,315,749 | 115,563 | | | 3,333,600 |
| Aver. Tax Rate 13.86 mills | | | | | | | | |
| 1966 Assessed Value 1/ | 2,024,708 | | 61,114 | 1,509,357 | 137,704 | | | 3,732,883 |
| Aver. Tax Rate 14.02 mills | | | | | | | | |
| Item % of Total | 54.2 | | 1.6 | 40.5 | 3.7 | | | 100.0 |
| Increase/Decrease '66 vs. '57 | 70.8 | | (32.2) | 97.3 | 16.9 | | | 75.9 |

1/Assessed value represents 15-30 percent of actual market value in 1966.
2/Included in other items.
Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-48
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = WASHINGTON | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 4828290 | 3893185 | 5243182 | 6488711 | 4309990 | 4366747 | 5119217 | 5441835 | 5685489 | 6130714 |
| PERCENT BASE YEAR | 100.0 | 80.6 | 108.6 | 134.4 | 89.3 | 90.4 | 106.0 | 112.7 | 117.8 | 127.0 |
| PROGRAM ACREAGE | 9688923 | 9688940 | 9688607 | 9688619 | 9688591 | 9688449 | 9688357 | 9687801 | 9690016 | 9690701 |
| REVENUE $ PER ACRE | 0.50 | 0.40 | 0.54 | 0.67 | 0.44 | 0.45 | 0.53 | 0.56 | 0.59 | 0.63 |
| MIGRATORY BIRD ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 11113 | 12041 | 7949 | 7792 | 3616 | 19996 | 4955 | 6813 | 21799 | 52565 |
| PERCENT BASE YEAR | 100.0 | 108.4 | 71.5 | 70.1 | 32.5 | 179.9 | 44.6 | 61.3 | 196.2 | 473.0 |
| PROGRAM ACREAGE | 93258 | 95141 | 95116 | 96504 | 97112 | 97112 | 97517 | 53698 | 96832 | 92938 |
| REVENUE $ PER ACRE | 0.12 | 0.13 | 0.08 | 0.08 | 0.04 | 0.21 | 0.05 | 0.13 | 0.23 | 0.57 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 4526 | 9701 | 478 | 500 | 2155 | 1555 | 1243 | 3904 | 4029 | 103 |
| PERCENT BASE YEAR | 100.0 | 214.3 | 10.6 | 11.0 | 47.6 | 34.4 | 27.5 | 86.3 | 89.0 | 2.3 |
| PROGRAM ACREAGE | 69052 | 92466 | 40741 | 30365 | 27974 | 13977 | 5857 | 22042 | 23281 | 1636 |
| REVENUE $ PER ACRE | 0.07 | 0.10 | 0.01 | 0.02 | 0.08 | 0.11 | 0.21 | 0.18 | 0.17 | 0.06 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 11495 | 10443 | 11652 | 14123 | 6393 | 5617 | 657 | 1360 | 1851 | 3116 |
| PERCENT BASE YEAR | 100.0 | 90.8 | 101.4 | 122.9 | 55.6 | 48.9 | 5.7 | 11.8 | 16.1 | 27.1 |
| PROGRAM ACREAGE | 4010 | 19229 | 15169 | 11698 | 5154 | 5720 | 1804 | 11664 | 9466 | 6403 |
| REVENUE $ PER ACRE | 2.87 | 0.54 | 0.77 | 1.21 | 1.24 | 0.98 | 0.36 | 0.12 | 0.20 | 0.49 |
| TAYLOR GRAZE SECT 15 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 3716 | 3503 | 4387 | 4509 | 4511 | 3332 | 4673 | 5354 | 5361 | 5810 |
| PERCENT BASE YEAR | 100.0 | 94.3 | 118.1 | 121.3 | 121.4 | 89.7 | 125.8 | 144.1 | 144.3 | 156.4 |
| PROGRAM ACREAGE | 376355 | 321738 | 324426 | 272830 | 266557 | 213929 | 211777 | 208523 | 212810 | 221906 |
| REVENUE $ PER ACRE | 0.01 | 0.01 | 0.01 | 0.02 | 0.02 | 0.02 | 0.02 | 0.03 | 0.03 | 0.03 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 4859140 | 3928873 | 5267648 | 6515635 | 4326665 | 4397247 | 5130745 | 5459266 | 5718529 | 6192308 |
| PERCENT BASE YEAR | 100.0 | 80.9 | 108.4 | 134.1 | 89.0 | 90.5 | 105.6 | 112.4 | 117.7 | 127.4 |
| PROGRAM ACREAGE | 10162546 | 10125048 | 10123318 | 10069651 | 10057414 | 10005210 | 9999455 | 9961686 | 10009124 | 10011948 |
| REVENUE $ PER ACRE | 0.48 | 0.39 | 0.52 | 0.65 | 0.43 | 0.44 | 0.51 | 0.55 | 0.57 | 0.62 |

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

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PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4C
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = WASHINGTON | | | | | | | | | | |
| COLUMBIA BASIN PROJECT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 19644 | 14652 | 12782 | 11986 | 10417 | 14234 | 12166 | 11052 | 10350 | 9555 |
| PERCENT BASE YEAR | 100.0 | 74.6 | 65.1 | 61.0 | 53.0 | 72.5 | 61.9 | 56.3 | 52.7 | 48.6 |
| PROGRAM ACREAGE | 115872 | 80849 | 74371 | 70190 | 71595 | 83611 | 70956 | 64652 | 60006 | 58885 |
| REVENUE $ PER ACRE | 0.17 | 0.18 | 0.17 | 0.17 | 0.15 | 0.17 | 0.17 | 0.17 | 0.17 | 0.16 |
| GSA SURPLUS PROPERTY | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 45583 | 53584 | 39559 | 29033 | 38484 | 40883 | 20010 | 0 | 0 | 0 |
| PERCENT BASE YEAR | 100.0 | 117.6 | 86.8 | 63.7 | 84.4 | 89.7 | 43.9 | 0.0 | 0.0 | 0.0 |
| PROGRAM ACREAGE | NA | NA | NA | NA | NA | NA | NA | 0 | 0 | 0 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| FLOOD CONTROL PROGRAM | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 13571 | 7555 | 6167 | 5085 | 4750 | 5235 | 5799 | 10506 | 9957 | 8836 |
| PERCENT BASE YEAR | 100.0 | 55.7 | 45.4 | 37.5 | 35.0 | 38.6 | 42.7 | 77.4 | 73.4 | 65.1 |
| PROGRAM ACREAGE | NA | 42381 | 46081 | 46537 | 47676 | 52431 | 67203 | 73469 | 83920 | 91996 |
| REVENUE $ PER ACRE | 0.00 | 0.18 | 0.13 | 0.11 | 0.10 | 0.10 | 0.09 | 0.14 | 0.12 | 0.10 |
| FORMER RFC (AIR FORCE) | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 508275 | 0 | NA | NA | 292557 | 0 | 0 | 0 | 0 | 0 |
| PERCENT BASE YEAR | 100.0 | 0.0 | 0.0 | 0.0 | 57.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROGRAM ACREAGE | NA | 0 | NA | NA | NA | 0 | 0 | 0 | 0 | 0 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| FED. POWER COMISSION | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 881 | 4041 | 720 | 3131 | 1865 | 1893 | 1898 | 22895 | 6454 | 5475 |
| PERCENT BASE YEAR | 100.0 | 458.7 | 81.7 | 355.4 | 211.7 | 214.9 | 215.4 | 2598.8 | 732.6 | 621.5 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 5447094 | 4008705 | 5326876 | 6564870 | 4674738 | 4459492 | 5170618 | 5503719 | 5745290 | 6216174 |
| PERCENT BASE YEAR | 100.0 | 73.6 | 97.8 | 120.5 | 85.8 | 81.9 | 94.9 | 101.0 | 105.5 | 114.1 |
| PROGRAM ACREAGE | 10278418 | 10248278 | 10243770 | 10186378 | 10176685 | 10141252 | 10137614 | 10099807 | 10153050 | 10162829 |
| REVENUE $ PER ACRE | 0.53 | 0.39 | 0.52 | 0.64 | 0.46 | 0.44 | 0.51 | 0.54 | 0.57 | 0.61 |

NA = data not available.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

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TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO STATE

(In Thousands of Dollars)

STATE Washington

| Year | Total Federal Highway Aid to State (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | 32,187 | 1,038 |
| 1958 | 41,127 | 1,112 |
| 1959 | 56,229 | 1,596 |
| 1960 | 59,680 | 1,366 |
| 1961 | 45,868 | 1,184 |
| 1962 | 52,994 | 1,235 |
| 1963 | 60,916 | 1,087 |
| 1964 | 68,951 | 1,376 |
| 1965 | 70,989 | 1,389 |
| 1966 | 73,700 | 1,400 |

Source: U.S. Bureau of Public Roads, allocation by EBSMC.

TABLE NO. C-7

State Washington

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 5,068,942 | $ 2,642,362 | $ 7,711,304 |
| 1958 | 8,182,409 | 4,040,153 | 12,222,562 |
| 1959 | 8,162,537 | 3,833,679 | 11,996,216 |
| 1960 | 9,077,159 | 4,179,261 | 13,256,420 |
| 1961 | 10,970,044 | 7,060,140 | 18,030,184 |
| 1962 | 14,787,239 | 5,318,831 | 20,106,070 |
| 1963 | 14,525,925 | 6,884,457 | 21,410,382 |
| 1964 | 16,738,315 | 7,609,132 | 24,347,447 |
| 1965 | 16,648,435 | 8,787,921 | 25,436,356 |
| 1966 | 20,345,952 | 8,553,523 | 28,899,475 |
| Average Year[1] | 17,064,657 | 7,958,758 | 25,023,415 |
| Item % of Total, Average Year | 68.2 | 31.8 | 100.0 |

[1] Average year includes last four years only, due to lack of data from BLM and C of E.

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices.

Federal Agency **US Forest Service**

Program **National Forests**

State Washington

TABLE NO. C-7a

Page 1 of 5

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 983,500 | $ 52,600 | $ 75,700 | $ 2,066,400 | $ 398,800 | $ 7,800 | $ 170,700 | $ 22,100 | $ 3,763,700 | $ 7,541,300 |
| 1958 | 1,332,700 | 144,700 | 174,300 | 4,226,700 | 707,000 | 116,500 | 379,700 | 26,700 | 4,047,400 | 11,155,700 |
| 1959 | 2,392,500 | 182,100 | 105,100 | 3,456,700 | 826,600 | 110,100 | 452,800 | 37,500 | 4,244,900 | 11,808,300 |
| 1960 | 1,096,800 | 180,800 | 119,200 | 4,883,100 | 1,071,200 | 156,300 | 499,900 | 32,200 | 4,928,500 | 12,968,000 |
| 1961 | 2,286,100 | 220,900 | 137,400 | 7,547,900 | 1,296,100 | 227,100 | 767,300 | 40,100 | 5,194,700 | 17,717,600 |
| 1962 | 3,712,800 | 272,900 | 276,500 | 6,369,500 | 1,780,000 | 371,900 | 1,103,300 | 98,400 | 5,897,400 | 19,882,700 |
| 1963 | 2,317,800 | 247,000 | 419,000 | 6,522,500 | 1,773,600 | 329,500 | 1,441,300 | 125,300 | 7,202,400 | 20,378,400 |
| 1964 | 2,148,200 | 288,400 | 378,000 | 9,098,600 | 1,923,900 | 292,300 | 1,752,100 | 141,800 | 7,587,100 | 23,610,400 |
| 1965 | 2,200,200 | 286,200 | 525,700 | 9,167,900 | 2,174,500 | 560,600 | 1,279,400 | 163,200 | 8,028,400 | 24,386,100 |
| 1966 | 2,811,500 | 359,100 | 626,400 | 10,785,700 | 2,353,600 | 449,900 | 1,397,400 | 172,400 | 9,096,600 | 28,052,600 |

Source: Federal Agencies' Field Offices.

Federal Agency Bureau of Sport Fisheries & Wildlife

Program Migratory Bird

State Washington

TABLE NO. C-7a

FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 4,808 | $ 4,668 | $ 0 | $ 8,304 | $ 0 | $ 0 | $ 1,500 | $ 111,855 | $ 2,330 | $ 133,465 |
| 1958 | 5,108 | 4,208 | 0 | 9,604 | 0 | 10 | 1,500 | 231,660 | 1,875 | 253,965 |
| 1959 | 4,508 | 3,508 | 0 | 5,304 | 0 | 12 | 1,500 | 158,764 | 1,785 | 175,381 |
| 1960 | 7,008 | 4,208 | 0 | 5,504 | 0 | 12 | 1,800 | 140,424 | 2,000 | 160,956 |
| 1961 | 5,208 | 1,408 | 0 | 5,212 | 10,000 | 9,012 | 1,700 | 116,665 | 5,450 | 154,655 |
| 1962 | 5,148 | 4,008 | 0 | 6,312 | 10,500 | 1,034 | 1,700 | 157,432 | 9,990 | 196,154 |
| 1963 | 9,432 | 5,180 | 0 | 89,701 | 8,569 | 18 | 17,240 | 194,470 | 12,200 | 336,810 |
| 1964 | 6,212 | 11,318 | 0 | 18,214 | 0 | 20 | 3,340 | 192,239 | 9,561 | 240,904 |
| 1965 | 5,962 | 5,190 | 0 | 12,890 | 2,800 | 20 | 4,696 | 195,628 | 9,500 | 236,686 |
| 1966 | 6,816 | 4,950 | 410 | 16,640 | 0 | 20 | 17,990 | 225,433 | 16,500 | 288,759 |

Source: Federal Agencies' Field Offices.

Federal Agency US Bureau of Reclamation

Program Columbia Basin

State Washington

## TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 36,539 | $ 36,539 |
| 1958 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 812,897 | 812,897 |
| 1959 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12,535 | 12,535 |
| 1960 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 127,464 | 127,464 |
| 1961 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 157,929 | 157,929 |
| 1962 | 0 | 0 | 3,125 | 0 | 0 | 950 | 0 | 0 | 23,141 | 27,216 |
| 1963 | 0 | 0 | 1,000 | 0 | 0 | 1,560 | 0 | 0 | 60,436 | 62,996 |
| 1964 | 0 | 500 | 1,375 | 0 | 0 | 2,810 | 0 | 0 | 38,397 | 43,082 |
| 1965 | 0 | 0 | 11,000 | 0 | 0 | 4,500 | 0 | 0 | 142,634 | 158,134 |
| 1966 | 0 | 150 | 1,060 | 0 | 0 | 5,125 | 0 | 0 | 163,030 | 169,365 |

Source: Federal Agencies' Field Offices.

Federal Agency Corps of Engineers

Program Flood Control

State Washington

## TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1959 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1960 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1961 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1962 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1963 | NA | NA | NA | NA | NA | NA | NA | NA | NA | 632,176 |
| 1964 | NA | NA | NA | NA | NA | NA | NA | NA | NA | 453,061 |
| 1965 | NA | NA | NA | NA | NA | NA | NA | NA | NA | 655,436 |
| 1966 | NA | NA | NA | NA | NA | NA | NA | NA | NA | 235,269 |

Source: Federal Agencies' Field Offices.

55-24

Federal Agency Interior - BLM

Program All

State Washington

## TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1959 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1960 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1961 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1962 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1963 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1964 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1965 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1966 | 20,000 | 2,339 | 7,800 | 0 | 0 | 0 | 0 | 0 | 123,343 | 153,482 |

Source: Federal Agencies' Field Offices.

55-30

## TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

STATE Washington

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | State Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| C of E | | | | | | |
| Grazing | $ 3.75 | 91,996 | $ 344,985 | 14.02 | $ 4,837 | 5¢ |
| BLM | | | | | | |
| Forest | 20.00 | 228,309 | 4,566,180 | 14.02 | 64,017 | 28 |
| BSF&W | | | | | | |
| Wilderness | 4.00 | 92,938 | 371,752 | 14.02 | 5,212 | 6 |
| B of R | | | | | | |
| Forested | 20.00 | 14,720 | 294,400 | 14.02 | 4,127 | 28 |
| Grazing | 8.50 | 44,165 | 375,402 | 14.02 | 5,263 | 12 |
| Forest Service | | | | | | |
| Forested | 30.00 | 6,984,410 | 209,532,300 | 14.02 | 2,937,643 | 42 |
| Non Stocked and Unproductive Forest | 3.00 | 2,973,092 | 8,919,276 | 14.02 | 125,048 | 4 |
| GSA | 86.30 | 730 | 62,999 | 14.02 | 883 | 121 |
| Totals 3/ | $ 21.52 | 10,430,360 | $ 224,467,294 | 14.02 | $3,147,030 | 30¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable average state rate.
3/ Utilizing the derived total county average rate excluding municipal levy, 55.16 mills, the estimated total tax would be $12,381,616 or 119¢/acre.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State Officials, EBSMC Estimates.

Federal Agency U.S. Forest Service

Revenue Sharing Program ______________ (25%)a/

State Washington

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to State Government | (5) Revenue Share Lost (Col. 2 × a/) |
|---|---|---|---|---|---|
| 1957 | $ 19,610,020 | $ 296,860 | $ 19,313,160 | $ 4,828,290 | $ 74,215 |
| 1958 | 15,957,350 | 384,610 | 15,572,740 | 3,893,186 | 96,152 |
| 1959 | 21,629,900 | 657,170 | 20,972,730 | 5,243,183 | 164,292 |
| 1960 | 26,866,270 | 911,430 | 25,954,840 | 6,488,711 | 227,858 |
| 1961 | 18,153,320 | 913,360 | 17,239,960 | 4,309,990 | 228,340 |
| 1962 | 18,814,010 | 1,347,020 | 17,466,990 | 4,366,747 | 336,755 |
| 1963 | 22,258,280 | 1,781,410 | 20,476,870 | 5,119,217 | 445,352 |
| 1964 | 23,744,870 | 1,977,530 | 21,767,340 | 5,441,835 | 494,382 |
| 1965 | 24,757,620 | 2,015,660 | 22,741,960 | 5,685,489 | 503,915 |
| 1966 | 26,620,783 | 2,097,923 | 24,522,860 | 6,130,714 | 524,481 |

Source: Federal Agencies' Field Offices.

55-32 (followed by C1-1)

# CASE COUNTY DIGEST
# MOHAVE, ARIZONA

## I. The County

a. General Description: Mohave is a very large but sparsely populated county located in the southwestern part of the state, bordering on California, Nevada, and Utah. Its county seat is Kingman, which is the only municipality with a population over 2,500. It contains 16 school districts, of which 15 are elementary and 1 is a high school, and 10 special districts which are engaged in the following: Streets (2), Fire Protection (5), and Sanitation (3). The county and state governments are in their conventional forms and provide overlapping services. In addition, the county provides a general court located in the City of Kingman. Tax assessments and collection are conducted by both county and state, while only the former performs these activities in behalf of the various school and special districts. The City of Kingman, while not providing its own assessment, collects its own taxes and provides its constituents independent street and highway maintenance, law enforcement, fire protection, sanitation facilities, and refuse collection.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 7,736 | 1966 | 2 | 13,600 | 75.8 |
| Urban[1] | 1960 | 1 | 4,526 | 1966 | 2 | 7,900 | 74.5 |
| Rural | 1960 | 1 | 3,210 | 1966 | 2 | 5,700 | 77.6 |
| Employment | 1959 | 3 | 918 | 1966 | 3 | 2,621 | 185.5 |
| Effective Buying Income ($000) | 1960 | 2 | 13,244 | 1966 | 2 | 27,677 | 109.0 |
| Per Capita EBI ($) | 1960 | 2 | 1,720 | 1966 | 2 | 2,035 | 18.3 |
| Public School Enrollment (K-12) | 1960 | 1 | 1,820 | 1965 | 4 | 1,800 | -1.1 |

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1/ Includes areas of 2,500 people or more.

Sources: See Page C1-2.

These figures indicate a healthy population growth during the period 1960-66. The total population increase of some 6,000 persons or 76% is almost evenly divided between rural and urban populations. County employment has exceeded the population growth rate by about 2-1/2 times, although the effective buying income has only doubled. Per capita effective buying income has grown modestly. Public school enrollment (K-12) has remained almost unchanged. This appears to be the reflection of a population increase from among elder people only who have choosen the county as a retirement home.

c. The Land: Of Mohave's approximately 8.5 million acres of land area, only 21% is in private ownership while about 73% is in Federal ownership. The balance is in state and county lands. Of the approximately 6.7 million acres in Federal ownership, some 24% are public domain lands which are not subject to any PILT or RS programs, a large part being Indian lands. The remaining Federal lands are composed of:

| | |
|---|---|
| National Forests | 28,059 acres |
| Grazing Districts, TG Section 3 | 4,928,623 acres |
| Outside District Lands (No RS Payments) | 2,560 acres |
| Boulder Dam Lands | 128,557 acres |
| Total | 5,087,799 acres |

## II. County Finance

a. Revenues: Table No. C-1 contains detailed revenue data for the years 1957-66. During this period, total receipts increased by more than $3.4 million or 181%. About $2.3 million of the

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Sources:
1. U.S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U.S. Bureau of the Census, County Business Patterns (mid-March Employment covered by the Social Security Program), 1959 and 1966.
4. U.S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

increased revenues stemmed from property taxes representing an increase of 286% over the 10-year period. This is compared with an increase of 96% from all other sources.

Bonded indebtedness of the county rose very sharply during the period 1956-66, increasing from a total outstanding balance of slightly over $3 million in 1956 to almost $12 million in 1966. The bulk of the increase of almost $9 million was accounted for by bonds for water, sewer and other utilities, while approximately $1.5 million of the increase resulted from the issuance of additional school bonds. The summary at the end of the case study digest contains the details of face value and outstanding debt as of 1966.

Table No. C-1a shows the sharp increase in state tax and local property tax collections on a per capita basis. Combined, these increased by 114% over the 10-year period. As a percent of EBI the increase was 68%.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the period 1957-66. The rate of increase in total expenditures is a lesser one than that for receipts, 138% or $3.1 million. During most of the years of the 10-year period, a fairly well balanced budget occurred with modest surpluses resulting in the last two years and some of the earlier years. The highest rate of increase in expenditures was experienced in the last four years. Expenditures for the maintenance and construction of highways in 1966 were 157% higher than expenditures in 1957. The rate of increase in expenditures for education is about the same as that for all expenditures although notably, expenditures for education increased by almost $1.6 million by 1966 and almost $1.9 million by 1965 over the 1957 expenditures despite the stability in public school enrollment. On a per capita basis, total expenditures increased at a more moderate rate, namely 37% over the 10-year period.

c. Property Tax: Table No. C-3 contains detailed data for the assessed value of property subject to taxes for the period 1957-66. Total assessed value increased by about $37 million or 157% with the largest share of the increase in residential, commercial and industrial, and mineral properties. Substantial shifts in the realtive share of each of the property categories occurred during the 10-year period. While in 1957, the largest share was in commercial and industrial property, 70%, this item declined by 1966 to a share of 40% although its absolute value had increased by almost $8 million. Conversely, residential properties increased from 11% of total assessed value to almost 26% of total assessed value. The increase in mineral, timber and other natural resources property of about $10 million is most notable.

Included in the assessed values are those relating to possessory interests on Federal lands. The summary at the end of the case study digest contains details for the types of leases, their assessed values and the resulting tax revenue. Excluded from these figures are possessory interests on public lands which are not subject to PILT and RS programs.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: Table No. C-4 contains details of payments in lieu of taxes and revenue sharing for the period 1957-66 (to the extent that the details are available for all years). Total revenue from PILT and RS amounted to a high of $110,000 and a low of $106,500.[1] The only program providing a significant payment is that relating to the Boulder Dam, managed by the Bureau of Reclamation (B of R) under which an annual payment of $300,000 to the State of Arizona is made. The state, in turn, distributes one-third or $100,000 of this amount to Mohave County. The other two revenue sharing programs, despite the very large acreage to which they apply, yielded relatively small payments to the county, varying from about $6,500 to $10,000 per year.

b. Indirect Benefits: The State of Arizona is eligible for the Bureau of Public Roads (BPR) Sliding Scale Highway Aid Program. Consequently, payments to the state, a share of which is allocable to Mohave County, were made in each of the years 1959-66. Table No. C-5 contains details of the total Federal highway aid payment and the share attributable to the presence of public lands. These payments reflect an allocation of the state from the state's total share to which it is entitled due to the presence of applicable public lands in the state.

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1/ It is possible that some mineral leasing revenue accrues to the county. Data are not kept by county unless this is specifically requested by the state; the amount, if any, is insignificant.

c. Value of Free Goods and Services: All three Federal agencies, Forest Service (FS), Bureau of Land Management (BLM), and the B of R, provided county and local government with free goods from time to time. These included certain parcels of land and construction materials. Based on estimates of the various supplying agencies of the value of the goods provided by them, it was calculated that their annual benefits amounted to approximately $12,600. Table No. C-6 contains the details relating to the supply of these free goods.

d. Federal Facilities and Services Having Joint Use: None of the Federal agencies reported any joint use Federal facilities or services.

e. Resource Expenditures - Management: The three Federal agencies mentioned above expend considerable sums annually for the management and improvement of the lands under their jurisdiction. Table No. C-7 contains details for the resource expenditures during each of the years 1957-1966, while Table Nos. C-7a-1, 2 and 3 contain details for each of the agencies. Total annual expenditures rose from $293,000 in 1957 to over $800,000 in 1966 with an average of $490,000 during each of the past 10 years. According to the Federal agencies, about 92% of their total expenditures were allocable to administrative and operating expenses.

The survey of management functions indicates that the B of R's activities are restricted to routine management and the provision of certain building materials, while the FS and BLM are engaged in a variety of activities, including those specifically related to land improvement and various types of developments.

## IV. Burdensto Local Government

a. Direct Burdens: The existence of public lands causes several kinds of direct burdens upon local government. Discussions with local government officials and review of their records indicate the following annual burdens for which no reimbursement by the Federal agencies were made:

| | |
|---|---|
| Maintenance of Roads | $150,000 |
| Law Enforcement | 25,000 |
| Hospital Services | 5,000 |
| Total Direct Burden | $180,000 |

The relatively large burden relating to maintenance of roads results from the necessity of maintaining circuitous roads so as to bypass the recreational areas including the Grand Canyon National Park which is located in the northern part of the county and through which road construction is restricted.

b. Indirect Burden: Although the Federal lands subject to PILT and RS are relatively low value lands, their immunity from taxation by local government causes the loss of an important revenue source. Typically, these types of lands, if they were in private ownership, might not all be tax revenue generating properties. However, an estimate of their potential assessed values and resulting tax revenues, as shown in Table No. C-8, results in a total potential tax of nearly $250,000, equal to 5¢/acre. This figure is substantially more than the direct PILT and RS payments presently accruing to the county from these lands.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: As a result of the FS deducting from gross receipts certain specified costs, net revenue available for revenue sharing was reduced in each of the years. Table No. C-9 contains the details for gross receipts, specified costs, net receipts, net payment to local government and the revenue sharing "lost" as a result of the deduction of specified costs. The largest such "loss" occurred in 1959, amounting to $313, while the "loss" in 1966 amounted to $300, or approximately 18% of the net revenue shared in this program.

d. Public Laws 815 and 874: During all of the years 1957-66, Mohave qualified for payments under PL 874 and during the first five years for payments under PL 815. Table No. C-10 contains details for these payments during the 10-year period.

## V. Impact of Present System

a. County Finance: The impact of the present system upon the finances of the county and other units of local government can be measured to some extent by the comparison of the revenues obtained under the present system and the related burdens. The net benefits, including the rebated share of the PILT relating to the Boulder Dam, were as follows (1966 figures):

| | |
|---|---|
| PILT & RS (C-4) | $110,111 |
| Sliding Scale Payments (C-5) | 710,714 |
| Free Goods & Services (C-6) | 12,626 |
| Total Direct Benefits | $833,451 |

From these must be deducted the direct burdens resulting from the existence of public land:

| | |
|---|---|
| Direct Burden (IV.a.) | $180,000 |
| Resulting Net Direct Benefits | $653,451 = 13¢/acre |

If the sliding scale payments were deducted from the above direct benefits, the resulting figures would show a net burden to the county of $57,263. (1966 PILT & RS did not equal the financial burdens upon local government attributable to the presence of these lands.)

b. The Overview: With about 73% of the total land area in Mohave County under control of the Federal government, county officials maintain that economic development is most seriously affected by the management programs relating to these lands and the relatively insignificant revenues obtained from these lands for the payment of public services. While industrial development has grown steadily over the past 10 years, manufacturing is only fourth in economic importance to the county. Tourism is by far the greatest source of income to county residents. Most of the tourism industry in the county is located or dependent on the Federal land. However, county finances do not obtain substantial revenues from this land use.

In addition, as mentioned previously, an unusual situation exists as a result of the dissection of the county at its northern end by Federal recreation areas which are virtually impassable, thereby causing the need for a circuitous road system. As a result, the county is required to maintain and patrol over 2,000 miles of roads for which, in the opinion of county officials, it does not obtain adquate compensation from Federal programs. Likewise, existing PILT and RS do not appear to provide adequate contributions to local public finance. The assertion is made that the county is required to provide a passageway for some seven million tourists who pass through it annually, yet, with the exception of the resulting indirect economic benefits (which have not been assessed in this study), these activities, for the most part, create a net burden. County officials concede that the Federal agencies are developing the lands under their jurisdiction as effectively as their programs permit, yet, in their view, these programs are not geared to develop material contribution to the county's growing financial needs. These officials favor the sale of large tracts of Federal land to private developers and cite one privately undertaken development, Lake Havasu City, as a successful experiment from which the needed economic benefits accrue.

In summary, Mohave County is an example of the existence of a situation in which direct and indirect burdens attributable to the presence of public lands greatly exceed the benefits derived from them through RS and PILT revenues.

## MOHAVE COUNTY, ARIZONA

### SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| BLM | Grazing | 0 | 0 |
| BLM | Mineral Leases ) | $136,944 | $8,217 |
| BLM | Rights-of-way) | | |
| Total | | $136,944 | $8,217 |

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Source: Federal Agencies' Field Offices and County Tax Assessor.

### BONDED INDEBTEDNESS, 1966
(Digest Ch. II.a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| School | $ 3,719,000 | $ 2,995,000 |
| Water & Sewage | 7,340,000 | 7,305,000 |
| Street & Utility | 1,199,857 | 979,244 |
| Other | 732,164 | 681,164 |
| Total | $12,991,021 | $11,960,408 |

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Source: Mohave County Audit Reports.

C1-10

## TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Mohave

STATE Arizona

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 798,173 | $ 29,948 | $ 828,121 | $ 1,023,992 | $ 1,852,113 |
| 1958 | 1,191,941 | 41,927 | 1,233,868 | 996,060 | 2,229,928 |
| 1959 | 1,269,194 | 50,505 | 1,319,699 | 1,114,483 | 2,434,182 |
| 1960 | 1,325,038 | 50,387 | 1,375,425 | 1,214,190 | 2,589,615 |
| 1961 | 1,235,703 | 43,064 | 1,278,767 | 1,347,101 | 2,625,868 |
| 1962 | 1,479,848 | 51,499 | 1,531,347 | 1,487,277 | 3,018,624 |
| 1963 | 1,669,301 | 74,065 | 1,743,366 | 1,656,820 | 3,400,186 |
| 1964 | 2,028,573 | 94,086 | 2,122,659 | 2,147,312 | 4,269,971 |
| 1965 | 2,496,586 | 136,187 | 2,632,773 | 1,922,237 | 4,555,010 |
| 1966 | 3,085,260 | 113,408 | 3,198,668 | 2,011,451 | 5,210,119 |
| % incr./decr. '66 vs. 1st yr. | 286.5 | 278.7 | 286.3 | 96.4 | 181.3 |

Source: Mohave County Audit Reports

## TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Mohave

STATE Arizona

| | State Taxes ($000) | | | | Total State Taxes | | Local Property Taxes | | Total of State & Local Property Taxes | |
|---|---|---|---|---|---|---|---|---|---|---|
| YEAR | Sales & Gross Receipts (1) | Individual Income (2) | Other1/ (3) | Total1/ (4) | % of EBI (5) | Per Capita($) (6) | % of EBI (7) | Per Capita($) (8) | % of EBI (9) | Per Capita($) (10) |
| 1957 | 742 | 108 | 173 | 1,023 | 8.18 | 131.15 | 6.62 | 106.17 | 14.80 | 237.32 |
| 1958 | 687 | 56 | 211 | 954 | 6.85 | 116.34 | 8.86 | 150.47 | 15.71 | 266.81 |
| 1959 | 577 | 55 | 198 | 830 | 6.41 | 115.28 | 10.20 | 183.29 | 16.61 | 298.57 |
| 1960 | 825 | 57 | 249 | 1,131 | 8.54 | 146.88 | 10.39 | 178.62 | 18.93 | 325.50 |
| 1961 | 909 | 78 | 221 | 1,208 | 9.37 | 158.95 | 9.91 | 168.25 | 19.28 | 327.20 |
| 1962 | 1,080 | 74 | 237 | 1,391 | 10.18 | 180.65 | 11.20 | 198.87 | 21.38 | 379.52 |
| 1963 | 1,293 | 65 | 275 | 1,633 | 11.75 | 214.87 | 12.54 | 229.39 | 24.29 | 444.26 |
| 1964 | 1,933 | 71 | 282 | 2,286 | 14.40 | 272.14 | 13.37 | 252.69 | 27.77 | 524.83 |
| 1965 | 2,297 | 101 | 402 | 2,800 | 13.25 | 266.67 | 12.46 | 250.74 | 25.71 | 517.41 |
| 1966 | 3,007 | 168 | 528 | 3,703 | 13.38 | 272.28 | 11.56 | 235.20 | 24.94 | 507.48 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7)
Col. (10) = Col. (6) + Col. (8)

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Mohave

STATE Arizona

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $1,174,093 | $ 167,974 | $ 889,606 | $ 2,231,673 | $ 286.1 |
| 1958 | 1,106,830 | 163,403 | 997,188 | 2,267,421 | 276.5 |
| 1959 | 997,986 | 175,831 | 989,054 | 2,162,871 | 300.4 |
| 1960 | 860,345 | 178,179 | 960,375 | 1,998,899 | 259.6 |
| 1961 | 876,928 | 189,536 | 1,158,682 | 2,225,146 | 292.8 |
| 1962 | 959,246 | 229,845 | 1,386,514 | 2,575,605 | 334.5 |
| 1963 | 1,503,684 | 227,473 | 1,381,518 | 3,112,675 | 409.6 |
| 1964 | 1,594,740 | 406,200 | 1,611,677 | 3,612,617 | 430.1 |
| 1965 | 3,051,077 | 369,411 | 1,867,940 | 5,288,428 | 503.7 |
| 1966 | 2,765,129 | 432,066 | 2,117,002 | 5,314,197 | 390.7 |
| % incr./decr.'66 vs. first year | 135.5 | 157.2 | 138.0 | 138.1 | 36.6 |
| % incr./decr.'66 vs. first year per capita | 35.1 | 79.2 | 36.5 | 36.6 | |

Source: Mohave County Audit Reports
Col. (5): Col. (4) divided by population estimates, Sales Management.

cl-P2

County Mohave

State Arizona

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential | (2) Commercial, Industrial | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. | (6) Personal | (7) Other2/ | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 2,526 | $ 16,602 | $ 913 | $2,416 | $743 | $ 457 | $ | $ 23,657 |
| Aver. Tax Rate 35.0 mills | | | | | | | | |
| Item % of Total | 10.7 | 70.2 | 3.9 | 10.2 | 3.1 | 1.9 | | 100.0 |
| 1958 Assessed Value | 2,632 | 18,892 | 922 | 2,686 | 890 | 497 | | 26,519 |
| Aver. Tax Rate 46.5 mills | | | | | | | | |
| 1959 Assessed Value | 2,924 | 20,178 | 1,367 | 3,260 | 707 | 810 | | 29,246 |
| Aver. Tax Rate 45.1 mills | | | | | | | | |
| 1960 Assessed Value | 3,704 | 21,582 | 1,414 | 3,437 | 451 | 719 | | 31,307 |
| Aver. Tax Rate 43.9 mills | | | | | | | | |
| 1961 Assessed Value | 4,654 | 22,117 | 1,455 | 3,567 | 378 | 778 | | 32,949 |
| Aver. Tax Rate 38.8 mills | | | | | | | | |
| 1962 Assessed Value | 10,486 | 22,292 | 1,634 | 3,665 | 412 | 684 | | 39,173 |
| Aver. Tax Rate 39.1 mills | | | | | | | | |
| 1963 Assessed Value | 10,175 | 22,084 | 1,764 | 4,456 | 535 | 688 | | 39,702 |
| Aver. Tax Rate 43.9 mills | | | | | | | | |
| 1964 Assessed Value | 10,533 | 22,478 | 2,083 | 3,518 | 925 | 859 | | 40,396 |
| Aver. Tax Rate 52.6 mills | | | | | | | | |
| 1965 Assessed Value | 12,778 | 23,323 | 4,700 | 3,308 | 7,124 | 641 | | 51,874 |
| Aver. Tax Rate 50.8 mills | | | | | | | | |
| 1966 Assessed Value1/ | 15,759 | 24,575 | 5,708 | 3,200 | 10,720 | 788 | | 60,750 |
| Aver. Tax Rate 52.6 mills | | | | | | | | |
| Item % of Total | 25.9 | 40.4 | 9.4 | 5.3 | 17.7 | 1.3 | | 100.0 |
| Increase/Decrease '66 vs. '57 | 523.9 | 48.0 | 525.2 | 32.4 | 1372.8 | 72.4 | | 156.8 |

1/ Assessed value represents 15-17 percent of actual market value in 1966.

2/ Included in other items.

Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMCI.

C1-13

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = ARIZONA<br>COUNTY = MOHAVE | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 750 | 1207 | 1174 | 1697 | 947 | 869 | 980 | 1415 | 1665 | 1361 |
| PERCENT BASE YEAR | 100.0 | 160.9 | 156.5 | 226.3 | 126.3 | 115.9 | 130.7 | 188.7 | 222.0 | 181.5 |
| PROGRAM ACREAGE | 28059 | 28059 | 28059 | 28059 | 28059 | 28059 | 28059 | 28059 | 28059 | 28059 |
| REVENUE $ PER ACRE | 0.03 | 0.04 | 0.04 | 0.06 | 0.03 | 0.03 | 0.03 | 0.05 | 0.06 | 0.05 |
| NM & ARIZ NAT FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 227 | 365 | 356 | 514 | 285 | 260 | 233 | 337 | 396 | 329 |
| PERCENT BASE YEAR | 100.0 | 160.8 | 156.8 | 226.4 | 125.6 | 114.5 | 102.6 | 148.5 | 174.4 | 144.9 |
| BOULDER CANYON PROJECT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 100000 | 100000 | 100000 | 100000 | 100000 | 100000 | 100000 | 100000 | 100000 | 100000 |
| PERCENT BASE YEAR | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| PROGRAM ACREAGE | NA | NA | 455641 | 455641 | 455641 | 455641 | 455641 | 455641 | 455641 | 455641 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.22 | 0.22 | 0.22 | 0.22 | 0.22 | 0.22 | 0.22 | 0.22 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 8464 | 4841 | 5397 | 7285 | 8379 | 7753 | 8420 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 57.2 | 63.8 | 86.1 | 99.0 | 91.6 | 99.5 |
| PROGRAM ACREAGE | NA | NA | NA | 4423566 | 4464144 | 4461767 | 4462687 | 4450382 | 4445156 | 4787401 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 100977 | 101572 | 101530 | 110675 | 106073 | 108526 | 108498 | 110131 | 109814 | 110110 |
| PERCENT BASE YEAR | 100.0 | 100.6 | 100.5 | 109.6 | 105.0 | 105.5 | 107.4 | 109.1 | 108.8 | 109.0 |
| PROGRAM ACREAGE | 28059 | 28059 | 483700 | 4907266 | 4947844 | 4945467 | 4946387 | 4934082 | 4928856 | 5271101 |
| REVENUE $ PER ACRE | 3.60 | 3.62 | 0.21 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 |

NA = data not available. This county does not have any Nonsection 10 land programs.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

C1-14

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Mohave

STATE Arizona

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands[1] (2) |
|---|---|---|
| 1957 | $ 0 | $ 0 |
| 1958 | 184,041 | 0 |
| 1959 | 376,233 | 114,669 |
| 1960 | 1,544,877 | 429,681 |
| 1961 | 687,489 | 33,844 |
| 1962 | 4,118,490 | 202,335 |
| 1963 | 6,489,701 | 753,430 |
| 1964 | 9,302,665 | 829,103 |
| 1965 | 10,159,869 | 1,153,437 |
| 1966 | 10,894,303 | 700,714 |

1/ Applies to all Federal lands exclusive of N.F., inclusive of non-PILT & RS loads.

Source: U.S. Bureau of Public Roads, allocation by EBSMC

## TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Mohave

STATE: Arizona

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| B of R | Land | $ 7,025 |
| Forest Service | Land | 399 |
| BLM | Land | 3,574 |
| | Construction Material | 1,628 |
| | Total | $12,626 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

C1-16

County Mohave

State Arizona

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 269,286 | $ 24,077 | $ 293,363 |
| 1958 | 274,571 | 24,508 | 299,079 |
| 1959 | 290,990 | 30,499 | 321,489 |
| 1960 | 298,221 | 25,148 | 323,369 |
| 1961 | 379,111 | 30,688 | 409,799 |
| 1962 | 468,993 | 29,205 | 498,198 |
| 1963 | 601,449 | 34,341 | 599,790 |
| 1964 | 649,756 | 48,978 | 698,734 |
| 1965 | 594,221 | 47,427 | 641,648 |
| 1966 | 695,246 | 117,201 | 812,447 |
| Average Year | 452,184 | 41,207 | 489,792 |
| Item % of Total, Average Year | 92.3 | 7.7 | 100.0 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices

Federal Agency US Forest Service

Program Kaibab National Forest

County Mohave

State Arizona

## TABLE NO. C-7a

Page 1 of 3

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 1,343 | $ 731 | $ 12 | $ 1,218 | $ 1,044 | $ 0 | $ 41 | $ 64 | $ 2,510 | $ 6,963 |
| 1958 | 1,964 | 1,069 | 18 | 1,781 | 1,768 | 0 | 448 | 31 | 3,100 | 10,179 |
| 1959 | 2,078 | 1,186 | 18 | 2,032 | 1,834 | 19 | 464 | 70 | 3,888 | 11,589 |
| 1960 | 8,370 | 1,029 | 39 | 2,311 | 1,331 | 28 | 470 | 90 | 4,401 | 18,269 |
| 1961 | 3,332 | 1,324 | 36 | 1,742 | 2,151 | 0 | 467 | 124 | 4,823 | 13,999 |
| 1962 | 2,383 | 1,761 | 207 | 2,091 | 3,000 | 0 | 1,050 | 168 | 4,038 | 14,698 |
| 1963 | 3,792 | 3,360 | 213 | 2,639 | 4,232 | 0 | 1,791 | 426 | 4,937 | 21,390 |
| 1964 | 3,239 | 1,494 | 127 | 7,922 | 3,738 | 59 | 1,473 | 109 | 11,181 | 29,334 |
| 1965 | 2,608 | 3,088 | 319 | 4,160 | 4,753 | 447 | 750 | 321 | 3,402 | 19,848 |
| 1966 | 4,486 | 2,442 | 318 | 10,861 | 1,886 | 53 | 2,630 | 323 | 6,648 | 29,647 |

Source: Federal Agencies' Field Offices

Federal Agency Interior - BLM

Program All

County Mohave

State Arizona

TABLE NO. C-7a

Page 2 of 3

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 171,447 | $ 47,615 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 64,338 | $ 283,400 |
| 1958 | 13,436 | 123,507 | 38,886 | 0 | 0 | 0 | 0 | 0 | 110,071 | 285,900 |
| 1959 | 18,406 | 164,806 | 33,151 | 0 | 0 | 0 | 0 | 0 | 90,529 | 306,900 |
| 1960 | 23,556 | 226,769 | 39,886 | 0 | 0 | 0 | 0 | 0 | 13,889 | 302,100 |
| 1961 | 22,793 | 283,986 | 31,432 | 0 | 0 | 0 | 0 | 0 | 54,591 | 392,800 |
| 1962 | 30,265 | 265,715 | 28,365 | 18,765 | 0 | 0 | 0 | 0 | 137,430 | 480,500 |
| 1963 | 44,013 | 366,053 | 57,481 | 11,613 | 0 | 0 | 0 | 0 | 152,240 | 575,400 |
| 1964 | 35,976 | 363,195 | 45,308 | 18,668 | 0 | 0 | 0 | 0 | 203,255 | 666,400 |
| 1965 | 26,596 | 470,316 | 43,938 | 43,939 | 0 | 0 | 0 | 0 | 34,013 | 618,800 |
| 1966 | 26,125 | 554,035 | 45,669 | 44,218 | 0 | 0 | 0 | 0 | 55,153 | 725,200 |

Source: Federal Agencies' Field Offices

Federal Agency U.S. Bureau of Reclamation

Program Boulder Canyon Project

County Mohave

State Arizona

## TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 3,000 | $ 3,000 |
| 1958 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 | 3,000 |
| 1959 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 | 3,000 |
| 1960 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 | 3,000 |
| 1961 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 | 3,000 |
| 1962 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 | 3,000 |
| 1963 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 | 3,000 |
| 1964 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 | 3,000 |
| 1965 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 | 3,000 |
| 1966 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 | 57,000 |

Source: Federal Agencies' Field Offices

TABLE NO. C-8

ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Mohave

STATE Arizona

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 x 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 x 5) (6) | Estimated Tax Per Acre (Col. 2 x 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service<br>Grazing Land | $ 1.00 | 28,059 | $ 28,059 | 47 | $ 1,319 | 5¢ |
| BLM<br>Grazing Land | 1.00 | 4,787,401 | 4,787,401 | 47 | 225,008 | 5 |
| B of R<br>Grazing Land | 1.00 | 455,641 | 455,641 | 47 | 21,415 | 5 |
| Totals | $ 1.00 | $ 5,271,101 | $ 5,271,101 | 47 | $ 247,742 | 5¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency US Forest Service

Revenue Sharing Program Kaibab National Forest (25%)[a/]

County Mohave

State Arizona

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 x a/) |
|---|---|---|---|---|---|
| 1957 | $ 4,185 | $ 273 | $ 3,912 | $ 978 | $ 68 |
| 1958 | 7,463 | 1,175 | 6,288 | 1,572 | 294 |
| 1959 | 7,370 | 1,250 | 6,120 | 1,530 | 313 |
| 1960 | 9,266 | 422 | 8,844 | 2,211 | 11 |
| 1961 | 5,278 | 350 | 4,928 | 1,232 | 88 |
| 1962 | 7,910 | 394 | 4,516 | 1,129 | 99 |
| 1963 | 4,588 | 516 | 4,072 | 1,018 | 134 |
| 1964 | 7,562 | 730 | 6,832 | 1,708 | 183 |
| 1965 | 9,088 | 808 | 8,280 | 2,070 | 202 |
| 1966 | 7,961 | 1,201 | 6,760 | 1,690 | 300 |

Source: Federal Agencies' Field Offices

County **Mohave**

State **Arizona**

## TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACIED AREAS

| | | P.L. 815 | | P.L. 874 | |
|---|---|---|---|---|---|
| Years | Total School Budget | Aid Provided | % of Total Budget | Aid Provided | % of Total Budget |
| 1957 | $ 247,800 | $ 1,174,093 | 21.1 | $ 5,029 | 0.4 |
| 1958 | 247,800 | 1,106,830 | 22.4 | 10,166 | 0.9 |
| 1959 | 247,193 | 997,986 | 24.8 | 33,325 | 3.3 |
| 1960 | 247,193 | 860,345 | 28.7 | 32,127 | 3.7 |
| 1961 | 247,193 | 876,928 | 28.2 | 37,950 | 4.3 |
| 1962 | 0 | 959,246 | 0 | 37,578 | 3.9 |
| 1963 | 0 | 1,503,684 | 0 | 40,970 | 2.7 |
| 1964 | 0 | 1,594,740 | 0 | 46,421 | 2.9 |
| 1965 | 0 | 3,051,077 | 0 | 42,905 | 1.4 |
| 1966 | 0 | 2,765,129 | 0 | 42,237 | 1.5 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports

C1-23

# CASE COUNTY DIGEST
# YUMA, ARIZONA

## I. The County

a. General Description: Yuma is a very large county located in the southwest corner of the State and borders on California and Mexico. The county seat is the City of Yuma; the county contains three municipalities, 17 school districts, including 13 elementary and three high school districts, and six special districts which include the following: Hospital, Fire Protection, and Agriculture. There are also 10 improvement districts which concern themselves with lighting, roads, water and sanitation. The county government is composed of a Board of Supervisors which provides all of the conventional county government functions. The three municipalities, Yuma City, Somerton, and Parker, likewise provide overlapping services, including the collection of taxes. While the school districts are engaged in the conventional functions relating to primary and secondary education, the special districts are engaged in provision of hospital services, agricultural and conservation activities and fire protection, and, in general improvements including the planning and construction of sanitary, water and road systems.

b. Vital Statistics: Following are the vital statistics for the entire county.

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 46,235 | 1966 | 2 | 57,600 | 24.6 |
| Urban 1/ | 1960 | 1 | 26,770 | 1966 | 2 | 32,400 | 21.0 |
| Rural | 1960 | 1 | 19,465 | 1966 | 2 | 25,200 | 29.5 |
| Employment | 1959 | 3 | 6,046 | 1966 | 3 | 9,049 | 49.7 |
| Effective Buying Income ($000) | 1960 | 2 | 87,805 | 1966 | 2 | 111,111 | 26.5 |
| Per Capita EBI ($) | 1960 | 2 | 1,852 | 1966 | 2 | 1,929 | 4.2 |
| Public School Enrollment (K-12) | 1960 | 1 | 10,782 | 1965 | 4 | 11,500 | 6.7 |

---

1/ Includes areas of 2,500 people or more.

Sources: See Page C2-2.

During the period 1960-1966, the county experienced a population increase of 25%, or approximately 11,300 persons, with almost identical increases in urban and rural populations, although the rate of increase in the rural population exceeded that of the urban centers by almost 30%. Effective buying income in the county during the same period grew only slightly more than the population increase, resulting in an increase in per capita EBI of only 4%. During the period 1960-1965, public school enrollment (K-12) increased at a lesser rate than the population as a whole and accounted for an increase of only 700 students.

c. The Land: Of Yuma's total land area of 6.4 million acres, some 87% are in Federal ownership. Approximately one-half thereof are public domain lands and do not qualify under the legislation providing for PILT and/or RS payments. The remainder are composed of:

| | |
|---|---|
| Bureau of Land Management (BLM) | |
| Grazing Districts | 2,768,284 acres |
| Taylor Grazing, Sec. 15 | 371,190 acres |
| Corps of Engineers (C of E) | 18,280 acres |
| Approximate Total | 3,157,754 acres |

II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the period 1957-1966. During this period total receipts rose by almost $10 million, an increase of 67%, which increase is almost evenly divided between property tax and "Other Taxes and Revenues." However, the absolute increase in property taxes of about $5.2 million represents an increase of 134%, while the increase in "Other Taxes and Revenues" was at a rate of 43%.

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Sources:
1. U.S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U.S. Bureau of the Census, County Business Patterns (mid-March Employment covered by the Social Security Program), 1959 and 1966.
4. U.S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

The outstanding bonded indebtedness of Yuma County also rose very sharply. The total amounts for bonds for all purposes in 1956 was $8.3 million; by 1966 it had increased to almost $13 million. Over $10 million are accounted for by school bonds with the balance going for hospitals, roads, water and sewer and other purposes. The summary at the end of the case study digest contains details of the 1966 face value and outstanding indebtedness of the county bonds.

Table C-1a shows an increase in state taxes per capita from $93 in 1957 to $176 in 1966, while local property taxes per capita increased from $83 to $158 during the same period. Combined state and local property taxes increased 90% per capita and 54% as a percent of EBI.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the period 1957-1966. Total expenditures doubled to a total of almost $23 million in 1966 with the sharpest percentage increase occurring in the expenditures for highways; this, however, occurred only in the last year of the 10-year period. Expenditure for education increased at a rate of 113%, which rate also exceeds the rate for all expenditures combined. On a per capita basis, the increase over the 10-year period was equal to 65%, a far greater rate than the increase in per capita EBI (4%). Thus, a measure of the increasing tax burden upon the population of Yuma becomes apparent.

c. Property Taxes: Table No. C-3 contains detailed data for the assessed value of property subject to tax for the 1957-1966 period. It shows an increase of the assessed value of 47%, with a notable shift in the relative share in most of the property classes. Commercial and industrial properties, though their assessed value increased by over $5 million or 21% during the 10-year period, show a decline from 44% to 37% in their share of the total. Conversely, the shares of residential and public utility properties increased from 25% and 14% to 26% and 21% respectively.

Along with the increase in assessed values, an increase in the average millage rate occurred, moving from a low of 72.9 mills in 1957 to 116.0 mills in 1966, an increase of approximately 60%.

Included in the assessed values are those relating to possessory interests on Federal lands. They accounted for a total of $114,825 from which tax revenues in the amount of $10,691 resulted in 1966. These include possessory interests on lands which are not subject to RS programs but which could not be separated and are therefore included in these figures. A summary of the possessory interests is contained at the end of the case study digest.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs: Due to the nature of the land uses applicable to Federal lands subject to RS payments, only relatively small RS payments are made to Yuma County. Table No. C-4 contains detailed data for the years 1961-1966 to the extent that these were available from the cognizant Federal agencies. During these six years, the payments to Yuma County varied from a low of $1,511 in 1963 to a high of $5,445 in 1966. Applying these amounts to the more than 3.2 million acres to which they pertain obviously results in an insignificant payment per acre. However, as will be pointed out later, these essentially unimproved lands cannot be expected to provide substantial property tax yield.

b. Indirect Benefits: The State of Arizona is eligible for the BPR Sliding Scale Highway Aid Program. Payments were made under this program in each of the 10 years and, in fact, have accounted for the largest single share of Federal aid to Yuma County. Table No. C-5 contains the figures for the period 1957-1966 showing that in the last year the Federal highway aid attributable to the presence of public lands in the county totaled about $254,000.

c. Value of Free Goods and Services: Including the value of certain rights-of-way granted under Section 43 CFR 2234 and under Section 2477, the county received a minor amount of free goods. These were composed of some construction materials and the use of 20 acres of land. Their annual value was computed at approximately $280, the details of which are contained in Table No. C-6.

d. Federal Facilities and Services Having Joint Use: No such facilities and services exist in the county and there is no benefit accruing to the county from such.

e. Resource Expenditures - Management: Within the framework of the Federal agencies' routine land management functions, considerable sums are spent annually for land improvement activities including administrative and operating expenses. Properly classified as resource program expenditures, only those incurred by the BLM are included here because the expenditures of the C of E, averaging $1.4 million per year, are of a strict capital improvement nature and relate to the original construction of the civil works. The details of the BLM resource program expenditures are contained in Tables No. C-7 and C-7a1.

The survey of management functions performed by the two Federal agencies indicate a certain amount of overlapping, though each is related to the lands under the jurisdiction of the respective agency. Neither of the two agencies indicated that revenue sharing programs were a factor in management decisions related to either operating or capital expenditures.

## IV. Burdens to Local Government

a. Direct Burdens: Yuma County officials identified certain financial burdens which result directly from the existence of Federal lands. While an estimate of $35,000 per year was given by these county officials, a study of their figures indicates that approximately one-half of this amount relates to the cost of juvenile probation on Federal reservations (mostly Indian) which, of course, are not subject to RS and should, therefore, be excluded from the direct burdens associated with the RS subject lands. Thus, only that burden estimated at $17,500,which pertains to the maintenance of county highways located on Federal lands, is included here.

b. Indirect Burden: Despite the relatively low value of the RS subject lands, their immunity to taxation by the county and its units of government represents the loss of important revenue. Though it is doubtful what quantity of the lands presently managed by BLM and C of E would represent tax paying property if they were in private ownership, an estimate of the potential assessed value and tax revenue is contained in Table No. C-8. It shows totals of over $3.1 million of assessed value and a potential tax yield of about $284,000, or an average of 9¢/acre.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: All payments on Federal land in Yuma County are based upon gross receipts according to the cognizant Federal agencies.

d. Public Laws 815 and 874: Yuma County qualified in most of the years 1957-1966 for Federal aid under PL 815, and in all the years under PL 874. The amounts obtained under these programs as a percent of total school budget varied from 4% in 1958 to 6% in 1965. The details are contained in Table No. C-10.

## V. Impact of Present System

a. County Finances: The impact of the present system upon county and other units of local government can be measured to some extent by a comparative analysis of the net financial benefits and losses. The net benefit is composed of the following items (1966 figures):

| | |
|---|---|
| Revenue Sharing (C-4) | $ 5,445 |
| BPR Sliding Scale Payments (C-5) | 254,089 |
| Free Goods & Services (C-6) | 283 |
| Total Direct Benefits | $259,817 |

From these must be deducted the financial burden resulting from the existence of public land:

| | |
|---|---|
| Direct Burden (IV.a) 1/ | $ 17,500 |
| Resulting Net Direct Benefits | $242,317 = 7.7¢/acre |

The above figures compared with the potential real tax revenue as estimated (C-8), show some disparity. As stated, despite the low value of these lands, the potential tax estimate, if these lands were in private ownership, results in a yield of 9¢/acre. Moreover, the only significant benefit from the present system is that which accrues from the BPR sliding scale payments. This benefit depends upon state and Federal budget allocations, is designated for certain road construction only, and therefore, is of limited value towards the provision of public services to the county's population. If the sliding scale payments were excluded

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1/ Figure is exclusive of direct burdens not associated with lands subject to RS provisions.

the analysis would show that the direct burden attributable to the presence of these lands is three times the amount realized from revenue sharing and free goods and services, and, therefore, a net direct burden would result.

The county's lagging economy continues to be adversely affected, as stated by county officials, by the existence of the Federal lands and the management programs applied to them. These officials claim that the only hope for a more productive economy lies in increased agricultural production. This is dependent upon the obtaining of a substantially increased water supply and lands for intensive irrigation and agricultural exploitation. While, reportedly, there exist amicable relations between officials of the BLM and the various units of county government, the Federal agency claims to be restricted, since it can only provide land leases for recreational purposes to which rigid regulations are applied. Private land development, which might maximize tax benefits to county government to create an economic impact, has not been permitted. Overall, the problems of the county are further aggravated by the reservations of the Defense Department and those of the Bureau of Sport Fisheries and Wildlife from which no direct revenues have accrued to local units of government.

# YUMA, ARIZONA

## SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total[1/] Tax Revenue |
|---|---|---|---|
| BLM | Grazing | 0 | |
| BLM | Mineral )<br>)<br>Right-of-way ) | $114,025 | $10,691 |
| C of E | None | | |
| Total | | $114,025 | $10,691 |

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Source: Federal Agencies' Field Offices and County Tax Assessor.

[1/] Includes taxes on public lands excluded from scope of this study and not subjected to PILT and RS payments

## BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $15,204,000 | $10,333,500 |
| Hospitals | 750,000 | 360,000 |
| Roads | 245,000 | 215,000 |
| Water & Sewage | 2,605,000 | 1,285,000 |
| Other | 565,000 | 515,000 |
| Total | $19,369,000 | $12,908,500 |

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Source: Yuma County Audit Reports.

C2-8

TABLE NO. C-1

LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Yuma

STATE Arizona

| Year | Real Property 1/ (1) | Personal Property 1/ (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 3,742,289 | $ 155,929 | $ 3,898,218 | $ 10,708,821 | $ 14,607,039 |
| 1958 | 4,828,836 | 201,202 | 5,030,038 | 5,872,477 | 10,902,515 |
| 1959 | 5,525,909 | 230,246 | 5,756,155 | 6,246,026 | 12,002,181 |
| 1960 | 5,640,159 | 235,007 | 5,875,166 | 5,736,575 | 11,611,741 |
| 1961 | 6,130,735 | 255,781 | 6,386,516 | 7,797,064 | 14,183,580 |
| 1962 | 6,676,672 | 276,195 | 6,952,867 | 8,526,810 | 15,479,677 |
| 1963 | 7,800,300 | 325,012 | 8,125,312 | 9,644,136 | 17,769,448 |
| 1964 | 7,957,239 | 331,552 | 8,288,791 | 9,786,584 | 18,075,375 |
| 1965 | 8,182,916 | 340,955 | 8,523,871 | 10,635,418 | 19,159,289 |
| 1966 | 8,757,577 | 364,899 | 9,122,476 | 15,334,688 | 24,457,164 |
| % Incr./Decr. '66 vs. 1st yr. | 134.0 | 134.0 | 134.0 | 43.2 | 67.4 |

1/ Allocation between real and personal property tax estimated, specific figures for each not available at source.

Source: Yuma County Audit Reports

## TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME
### 1957 - 1966

COUNTY Yuma

STATE Arizona

| YEAR | State Taxes ($000) Sales & Gross Receipts (1) | Individual Income (2) | Other[1] (3) | Total[1] (4) | Total State Taxes % of EBI (5) | Per Capita($) (6) | Local Property Taxes % of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes % of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 2,725 | 635 | 1,051 | 4,411 | 5.99 | 93.45 | 5.29 | 82.59 | 11.28 | 176.04 |
| 1958 | 2,848 | 324 | 1,036 | 4,208 | 5.22 | 87.48 | 6.24 | 104.57 | 11.46 | 192.05 |
| 1959 | 3,415 | 370 | 1,376 | 5,161 | 5.94 | 103.01 | 6.63 | 114.89 | 12.57 | 217.90 |
| 1960 | 4,465 | 379 | 1,530 | 6,374 | 7.26 | 134.47 | 6.69 | 123.95 | 13.95 | 258.42 |
| 1961 | 4,797 | 477 | 1,386 | 6,660 | 8.47 | 139.62 | 8.14 | 134.06 | 16.61 | 273.68 |
| 1962 | 5,160 | 478 | 1,568 | 7,206 | 8.19 | 141.29 | 7.91 | 136.37 | 16.10 | 277.66 |
| 1963 | 5,749 | 447 | 1,964 | 8,160 | 8.51 | 151.30 | 8.49 | 151.03 | 17.00 | 302.33 |
| 1964 | 6,264 | 430 | 1,851 | 8,563 | 8.47 | 155.16 | 8.20 | 150.16 | 16.67 | 305.32 |
| 1965 | 6,436 | 522 | 2,165 | 9,123 | 8.31 | 162.91 | 7.76 | 152.21 | 16.07 | 315.12 |
| 1966 | 7,253 | 675 | 2,237 | 10,165 | 9.15 | 176.48 | 8.21 | 158.38 | 17.36 | 334.86 |

[1] Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7)
Col. (10) = Col. (6) + Col. (8)

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Yuma

STATE Arizona

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 3,995,576 | $ 306,261 | $ 7,098,578 | $ 11,400,415 | $ 242 |
| 1958 | 5,084,683 | 324,755 | 6,211,528 | 11,620,966 | 242 |
| 1959 | 6,390,626 | 362,485 | 5,886,383 | 12,639,494 | 252 |
| 1960 | 5,510,900 | 338,780 | 6,126,463 | 11,976,143 | 253 |
| 1961 | 6,087,907 | 423,922 | 6,590,475 | 13,102,304 | 275 |
| 1962 | 7,194,685 | 485,139 | 8,399,952 | 16,079,776 | 315 |
| 1963 | 7,403,768 | 469,997 | 9,951,547 | 17,825,312 | 331 |
| 1964 | 7,203,486 | 550,221 | 10,574,652 | 18,328,359 | 332 |
| 1965 | 8,069,587 | 726,442 | 11,685,667 | 20,481,696 | 366 |
| 1966 | 8,516,835 | 1,038,648 | 13,405,473 | 22,960,956 | 399 |
| % incr./decr.'66 vs. first year | 113.2 | 239.1 | 88.8 | 101.4 | 64.9 |
| % incr./decr.'66 vs. first year per capita | 74.1 | 200.0 | 55.3 | 64.4 | |

Source: Yuma County Audit Reports
Col. (5); Col. (4) divided by population estimates, Sales Management.

County Yuma

State Arizona

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential | (2) Commercial, Industrial | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. | (6) Personal | (7) Other 2/ | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 13,306 | $ 23,769 | $ 7,666 | $ 8,467 | $ 152 | $ 327 | $ | $ 53,487 |
| Aver. Tax Rate 72.9 mills | | | | | | | | |
| Item % of Total | 24.9 | 44.4 | 14.3 | 15.8 | 0.3 | 0.6 | | 100.0 |
| 1958 Assessed Value | 14,409 | 23,937 | 7,961 | 8,721 | 126 | 301 | | 55,455 |
| Aver. Tax Rate 90.7 mills | | | | | | | | |
| 1959 Assessed Value | 16,036 | 25,433 | 10,366 | 8,456 | 230 | 382 | | 60,903 |
| Aver. Tax Rate 94.3 mills | | | | | | | | |
| 1960 Assessed Value | 16,593 | 25,836 | 13,637 | 8,863 | 157 | 631 | | 65,715 |
| Aver. Tax Rate 89.4 mills | | | | | | | | |
| 1961 Assessed Value | 16,644 | 26,106 | 16,336 | 8,990 | 138 | 736 | | 66,950 |
| Aver. Tax Rate 95.5 mills | | | | | | | | |
| 1962 Assessed Value | 18,639 | 26,306 | 14,778 | 9,299 | 96 | 498 | | 69,416 |
| Aver. Tax Rate 100.2 mills | | | | | | | | |
| 1963 Assessed Value | 19,443 | 26,796 | 15,217 | 9,238 | 94 | 614 | | 71,422 |
| Aver. Tax Rate 113.7 mills | | | | | | | | |
| 1964 Assessed Value | 20,313 | 26,986 | 16,213 | 9,633 | 96 | 533 | | 73,572 |
| Aver. Tax Rate 112.7 mills | | | | | | | | |
| 1965 Assessed Value | 21,169 | 27,011 | 16,116 | 9,986 | 93 | 542 | | 74,915 |
| Aver. Tax Rate 113.8 mills | | | | | | | | |
| 1966 Assessed Value 1/ | 20,777 | 28,851 | 16,892 | 11,170 | 101 | 812 | | 78,611 |
| Aver. Tax Rate 116.0 mills | | | | | | | | |
| Item % of Total | 26.4 | 36.7 | 21.5 | 14.2 | 0.1 | 1.1 | | 100.0 |
| Increase/Decrease '66 vs. '57 | 56.1 | 21.4 | 120.3 | 32.0 | (33.6) | 148.3 | | 47.0 |

1/ Assessed value represents 15-17 percent of actual market value in 1966.
2/ Included in other items.
Source: State and/or Local Government Financial Reports, estimates and allocations by [illegible].

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS—SECTION 10 LANDS

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = ARIZONA | | | | | | | | | | |
| COUNTY = YUMA | | | | | | | | | | |
| TAYLOR GRAZE SECT 15 * | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 887 | 458 | 475 | 540 | 624 | 689 | 679 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 51.6 | 53.6 | 60.9 | 70.3 | 77.7 | 76.6 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 2007 | 666 | 1350 | 943 | 1402 | 2353 | 4765 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 33.2 | 67.3 | 47.0 | 69.9 | 117.2 | 237.4 |
| PROGRAM ACREAGE | NA | NA | NA | 2118771 | 2117719 | 2117019 | 2116374 | 2116799 | 2113679 | 2768284 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 2894 | 1124 | 1825 | 1483 | 2026 | 3042 | 5444 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 38.8 | 63.1 | 51.2 | 70.0 | 105.1 | 188.1 |
| PROGRAM ACREAGE | NA | NA | NA | 2118771 | 2117719 | 2117019 | 2116374 | 2116799 | 2113679 | 2768284 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

NA = data not available.

*Total land available under program in 1966 was 371,190 acres.

Revenues per acre in dollars have been truncated to the nearest cent; *i.e.*, $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4A
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS,NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = ARIZONA | | | | | | | | | | |
| COUNTY = YUMA | | | | | | | | | | |
| FLOOD CONTROL PROGRAM* | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 0 | 0 | 0 | 0 | 469 | 19 | 28 | 19 | 210 | 0 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 4.1 | 6.0 | 4.1 | 44.8 | 0.0 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 2896 | 1593 | 1844 | 1511 | 2045 | 3252 | 5446 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 55.0 | 63.7 | 52.2 | 70.7 | 112.4 | 188.1 |
| PROGRAM ACREAGE | NA | NA | NA | 2118771 | 2117719 | 2117019 | 2116376 | 2116799 | 2113679 | 2768286 |
| REVENUE $ PER ACRE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

*Total land available under program in 1966 was 10,280 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.068 is shown as $0.06. Revenues per acre for all programs combined are affected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

C 2-41

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Yuma

STATE Arizona

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands 1/ (2) |
|---|---|---|
| 1957 | $ 688,840 | $ 117,164 |
| 1958 | 1,842,341 | 191387 |
| 1959 | 1,911,661 | 263,245 |
| 1960 | 307,684 | 61,081 |
| 1961 | 1,476,486 | 72,839 |
| 1962 | 3,407,647 | 167,412 |
| 1963 | 2,960,544 | 137,991 |
| 1964 | 3,765,168 | 322,312 |
| 1965 | 5,764,523 | 541,979 |
| 1966 | 5,431,365 | 254,089 |

1/ Applies to all Federal lands including non-BS lands.

Source: U.S. Bureau of Public Roads, allocation by KBSMC.

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Yuma

STATE: Arizona

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| BLM | Construction Material | $ 93 |
| | Land | 190 |
| C of E | None | 0 |
| | Total | $ 283 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

County Yuma

State Arizona

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES[1/]

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 138,300 | $ 11,600 | $ 149,900 |
| 1958 | 140,300 | 11,000 | 151,300 |
| 1959 | 149,700 | 12,200 | 161,900 |
| 1960 | 148,500 | 11,400 | 159,900 |
| 1961 | 193,400 | 14,500 | 207,900 |
| 1962 | 240,600 | 13,600 | 254,200 |
| 1963 | 292,600 | 11,900 | 394,500 |
| 1964 | 333,900 | 18,700 | 352,600 |
| 1965 | 305,100 | 22,300 | 327,400 |
| 1966 | 357,500 | 26,200 | 383,700 |
| Average Year | 229,990 | 15,340 | 245,330 |
| Item % of Total, Average Year | 93.7 | 6.3 | 100.0 |

[1/] BLM only. Resource Program expenditures by U.S. Corps of Engineers averaging 1.4 million per year are of a capital improvement nature and relate to the original construction.

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices

Federal Agency Interior - BLM

Program All

County Yuma

State Arizona

TABLE NO. C-7a

Page 1 of 1

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 91,760 | $ 27,132 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 31,028 | $ 149,900 |
| 1958 | 8,317 | 78,375 | 20,581 | 0 | 0 | 0 | 0 | 0 | 44,027 | 151,300 |
| 1959 | 10,680 | 103,458 | 19,914 | 0 | 0 | 0 | 0 | 0 | 27,848 | 161,900 |
| 1960 | 9,758 | 122,006 | 21,102 | 0 | 0 | 0 | 0 | 0 | 7,034 | 159,900 |
| 1961 | 9,983 | 150,522 | 17,252 | 0 | 0 | 0 | 0 | 0 | 30,143 | 207,900 |
| 1962 | 14,995 | 138,287 | 16,780 | 18,804 | 0 | 0 | 0 | 0 | 65,334 | 254,200 |
| 1963 | 25,578 | 204,627 | 35,927 | 10,348 | 0 | 0 | 0 | 0 | 28,020 | 304,500 |
| 1964 | 22,570 | 190,406 | 28,212 | 9,515 | 0 | 0 | 0 | 0 | 101,897 | 352,600 |
| 1965 | 17,675 | 242,274 | 21,942 | 14,730 | 0 | 0 | 0 | 0 | 30,779 | 327,400 |
| 1966 | 17,645 | 300,423 | 21,877 | 29,170 | 0 | 0 | 0 | 0 | 14,585 | 383,700 |

Source: Federal Agencies' Field Offices

TABLE NO. C-8

ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Yuma

STATE Arizona

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value $ (Col. 2 x 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 x 5) (6) | Estimated Tax Per Acre (Col. 2 x 5) (7) |
|---|---|---|---|---|---|---|
| BLM<br>Unimproved Grazing | $ 1 | 3,139,474 | $ 3,139,474 | 90 | $ 282,553 | 9¢ |
| C of E<br>Unimproved Desert, Mountains | 1 | 18,280 | 18,280 | 90 | 1,645 | 9 |
| Totals | $ 1 | 3,157,754 | $ 3,157,754 | 90 | $ 284,198 | 9¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

County **Yuma**

State **Arizona**

## TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACIED AREAS

| Years | Total School Budget | P.L. 815 Aid Provided | P.L. 815 % of Total Budget | P.L. 874 Aid Provided | P.L. 874 % of Total Budget |
|---|---|---|---|---|---|
| 1957 | $ 3,995,576 | $ 964,010 | 24.1 | $ 186,824 | 4.7 |
| 1958 | 5,084,683 | 1,212,345 | 23.8 | 191,719 | 3.8 |
| 1959 | 6,390,626 | 1,212,345 | 19.0 | 269,997 | 4.2 |
| 1960 | 5,510,900 | 1,366,089 | 24.8 | 276,704 | 5.0 |
| 1961 | 6,087,907 | 1,366,089 | 22.4 | 355,666 | 5.8 |
| 1962 | 7,194,685 | 0 | 0 | 362,553 | 5.0 |
| 1963 | 7,403,768 | 0 | 0 | 395,433 | 5.3 |
| 1964 | 7,203,486 | 0 | 0 | 435,239 | 6.0 |
| 1965 | 8,069,587 | 0 | 0 | 482,574 | 6.0 |
| 1966 | 8,516,835 | 38,520 | .5 | 496,697 | 5.8 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports

# CASE COUNTY DIGEST
# JOHNSON, ARKANSAS

## I. The County

a. General Description: Johnson is a relatively small county, more densely populated than the average Federal land intense county. It is located in the northwestern part of the state, about 45 miles east of Oklahoma and 55 miles south of Missouri. The county seat is Clarksville and the county contains four municipalities, five school districts, and one special district. The municipalities are self-sufficient in the provision of public services except for tax collections, welfare and health services, the administration of verterans' affairs, resource development, and sanitation facilities which are provided by the county with the aid of state governments. The school districts provide their own administration, financial controls, tax assessments and planning for educational facilities. In all other respects they rely upon county governmental services. The county is also engaged, in addition to the functions already mentioned and those provided by municipal governments, in county-wide planning, resource development surveying, and cemetery operations. Its activities are augmented by departments of state government.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 12,421 | 1966 | 2 | 12,400 | - 0.2 |
| Urban[1] | 1960 | 1 | 3,925 | 1966 | 2 | 3,900 | - 0.6 |
| Rural | 1960 | 1 | 8,496 | 1966 | 2 | 8,500 | 0 |
| Employment | 1959 | 3 | 1,277 | 1966 | 3 | 1,814 | 42.1 |
| Effective Buying Income ($000) | 1960 | 2 | 14,762 | 1966 | 2 | 19,174 | 29.9 |
| Per Capita EBI ($) | 1960 | 2 | 1,210 | 1966 | 2 | 1,546 | 27.8 |
| Public School Enrollment (K-12) | 1960 | 1 | 2,547 | 1965 | 4 | 2,100 | -17.6 |

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[1] Includes areas of 2,500 people or more.

Sources: See Page C3-2.

The above figures indicate a stable population during the period 1960-1966 -- the only change a reported decline of 21 persons. However, county employment grew during this period by over 530 jobs or 42%, and along with it total effective buying income increased by 30% and per capita EBI by 28%. Consistent with the stability of population, public school enrollment declined by 547 students in grades K-12 during the 1960-1965 period -- a decline of 18%.

c. The Land: Of the county's total land area comprising some 430,700 acres, about 44% are in Federal ownership. The Federally owned acreage is comprised of the following:

| | |
|---|---|
| Forest Service (FS) | |
| Ozark National Forest | 170,423 acres |
| Corps of Engineers (C of E) | |
| Civil Works (Dardanelle Dam and Reservoir) | 18,173 acres |
| Total Land Subject to RS | 188,596 acres |
| Other Federal Land | 1,143 acres |
| Total Federal Land | 189,739 acres |

## II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the years 1957-1966. During this period total receipts increased by about $600,000 or 63%. Of the total county revenue, less than 18% is derived from property taxes. Although receipts from real property increased during the 10-year period by 82% and receipts from personal property by 14%, their total still accounts for a relatively small share of total county receipts. The increase in property taxes is also less, 56% than the increase in revenues from other taxes and revenues, 64%.

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Sources:
1. U.S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U.S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U.S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

While in 1956 the county had only one outstanding bond for school construction, a bond issued in 1950, with a balance of $43,000, the outstanding bonded indebtedness in 1966 was just under $500,000. All of the outstanding debt as shown in the summary at the end of the case study digest was incurred for school construction.

As Table No. C-1a shows, state tax collections are estimated to be about five times as much as local property tax collections. In short, the taxing policies of the county are aligned with those of the State of Arkansas which appear to provide for a relatively low rate of local taxation and a substantial return of the high rate of state taxation to the county government. Overall, state income and sales taxes and local property tax collections increased during the 10-year study period at a rate estimated to be 89% on a per capita basis and 8% of total EBI.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the period 1957-1966. The rate of increase in total expenditures is substantially less than that shown for receipts; this, however, is due to the relatively large expenditures in 1957 as opposed to the revenues in that year.

The largest increase in expenditures is for education. Over the 10-year period these expenditures increased by 80%, as compared with those for highways at the rate of 29% and the expenditures for all other services at a rate of 6%. The total increase in expenditures on a per capita basis is about the same due to the unchanged population totals during the 10-year period.

c. Property Taxes: Johnson County's tax and assessment records do not contain any breakdown by assessment category or land class. Consequently, the figures in Table No. C-3 contain only the total assessed value for the entire county as obtained from county records.

Total assessed value of all properties subject to property taxation increased during the 10-year period by about 55%. During this period the tax rate varied from a low of 36.9 mills in 1959 to a high of 60.1 mills in 1958. The 1966 rate was 49.0 mills, the same as for 1967.

The assessed value shown in Table No. C-3 includes that applicable to the assessment of oil and gas leases on FS lands as shown in the summary at the end of the case study digest. The county derives about $3,500 in property tax revenue from these leaseholds.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: Although almost 44% of Johnson County's land area is subject to revenue sharing programs, payments received by it from these programs are of relatively small magnitude and typically accounted for about 2% of the county's total revenues. Table No. C-4 contains acreage and payment figures for the 10-year period to the extent that they are available (payments of the Corps of Engineers ((C of E)) began in 1961). Overall, RS payments from the National Forest Fund declined. In 1960 they amounted to $49,061 while in 1966 they were only about 57% of that figure. Revenue share payments from the C of E's managed lands, though they are 75% of the total revenue stemming from the activities on these lands, have amounted to a high, in 1964, of $14,500 and in 1966 to only $4,827.

b. Indirect Benefits: The State of Arkansas does not qualify for Bureau of Public Roads (BPR) sliding scale payments and no such benefits accrued to Johnson County.

c. Value of Free Goods and Services: The county obtained a variety of free goods and services including the free use of land for its rights-of-way. Table No. C-6 contains an estimate of the annual value of the free goods and services furnished by the FS and the C of E. The largest amount, $15,290, is for forest fire protection and was derived by applying the FS's total expenditures to the privately owned acreage's share of the total fire protected area in the county. That private acreage is approximately 40% of the acreage to which the total FS expenditure was applied. As shown in Table No. C-6, the estimated total annual value of all free goods and services is $16,812.

d. Federal Facilities and Services Having Joint Use: Neither of the two agencies, the FS or the C of E, reported any joint use by the county of their facilities.

e. Resource Expenditures - Management: Table No. C-7 contains figures relating to resource expenditures by the agencies for the period 1959-1966. Due to the sharp decline in expenditures by the C of E, which in 1963 and 1964 spent $240,000 annually while in 1965 and 1966 it spent $11,250 annually, total expenditures shown for the years 1965 and 1966 are substantially less than for the two preceding years. Conversely, resource program expenditures by the FS increased consistently except in 1964 and 1965.

Details for the expenditures by each of the agencies and by expenditure category are contained in Table Nos. C-7a-1 and C-7a-2.

The survey of management functions performed by the two Federal agencies indicates that the C of E is engaged primarily in the development and protection of the watershed and development and maintenance of recreational facilities. The FS is engaged in a full range of resource development and maintenance services which include reforestation.

## IV. Burdens to Local Government

a. Direct Burdens: The presence of public lands causes several kinds of burdens upon local government. Discussions with local government officials and review of their records indicate the following annual burdens for which no reimbursement by the Federal agencies is made:

| | |
|---|---|
| Maintenance of Roads | $25,000 |
| Law Enforcement | 1,000 |
| Total | $26,000 |

The financial burden of maintaining roads relates to county highways located within the national forest. The cost of law enforcement shown above relates to the incremental expenditures incurred by the county's sheriff department for policing Federal lands.

The county school superintendent pointed out the existence of an additional burden though it is not quantifiable in specific dollar terms. It relates to the county's limitation in its borrowing capacity and, specifically, its school districts. It was explained that one of the factors applied to a determination of the county's capacity for debt service is the assessed valuation of the real properties within each school district. Due to the immunity of the Federal lands to taxation, the assessed value of real property is relatively low and, as a result, several of the school districts in the county have reached their debt capacity. Additional funds for school construction are needed but, due to the assessed value factor, such funds cannot be obtained. Thus, a burden which apparently will result in the overcrowding of public schools and/or a reduction in the quality of educational services is likely to occur and is attributable to the presence of public lands.

b. Indirect Burden: The loss of tax revenue from the nontaxable Federal lands is appreciable. Table No. C-8 contains an estimate of the assessable value of the lands under the FS and the C of E management and the potential tax revenue which might accrue if these lands were in private ownership. It shows a total tax potential of nearly $68,000 and an average of 36¢/acre.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: In each year during the 10-year period the FS made K-V Fund collections. These collections are shown in Table No. C-9. They varied widely, from a high of almost $54,000 in 1960 to the low in 1966 of $15,500. As a percentage of gross receipts, these collections also varied widely. The 1966 figure was approximately 14% of gross receipts while the 1960 collection was approximately 20% of gross receipts. The resulting revenue share "lost" in 1966 was 17% of the net payment and, in 1960, 27% of the net payment.

d. Public Laws 815 and 874: Johnson County has not qualified for Federal aid under PLs 815 and 874.

## V. Impact of the Present System

a. County Finance: In a county with as small a revenue base as Johnson County, Arkansas the impact of the present system, with its relatively small contribution to county finance is quite severe. Based on the 1966 figures, the following summary reflects the financial impact:

| | |
|---|---|
| Revenue Sharing (C-4) | $28,225 |
| Free Goods and Services (C-6) | 16,812 |
| Total Direct Benefits | $45,037 |

From the above must be deducted the direct burden resulting from the presence of public lands:

| | |
|---|---|
| Direct Burden (IV.a.) | $26,000 |
| Resulting Net Direct Benefit | $19,037 = 10¢/acre |

This might be compared with the estimate for the potential tax revenue if the lands were in private ownership, as shown in Table No. C-8, which result in an average of 36¢/acre and a total of nearly $68,000.

b. The Overview: It might be argued that the Federal lands result in a net financial benefit to the county because RS payments and the value of free goods and services exceed the estimate of costs for services provided by the county directly related to the public lands. However, these lands make a much lesser contribution to county net revenues than its officials estimate would be available if the lands were in private ownership. In addition, these officials point out that the indirect benefits which were expected to accrue to the county subsequent to the completion of the dam and reservoir project have not materialized. These officials explain that in the neighboring Pope County the construction of the Dardanelle Dam and Reservoir has stimulated a considerable amount of private construction adjacent to the reservoir area and thereby a substantial increase has resulted in that county's tax base. The county officials regard Johnson County as a rather poor county, lacking in private construction capital, and the development anticipated by the C of E has not materialized.

Despite the substantial resource program expenditures by the FS there is no indication of increasing economic activity within the national forest (The figures in Table No. C-4 indicate a declining trend.) and, yet, without a substantial increase in economic activity upon the Federal lands there appears to be little hope for a substantial improvement in the county's economy over time. With a growing need for new school construction and the inability to obtain debt financing, the county's ability to provide adequate elementary and secondary education is threatened. Though county officials have provided no specific suggestions for changes in the programs of the Federal agencies, it is apparent that the need for increased county revenues is critical.

# JOHNSON, ARKANSAS

## SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| FS | Mineral | $66,189 1/ | $3,508 |
| | Rights-of-way | 0 | 0 |
| | Commercial | 0 | 0 |
| | Grazing | 0 | 0 |
| | Recreational | 0 | 0 |
| C of E | | 0 | 0 |
| Total | | $66,189 | $3,508 |

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Source: Federal Agencies' Field Offices and County Tax Assessor.

1/ Estimated. Based upon tax revenue and average 1966 millage rate (Table No. C-3).

## BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $282,525 | $214,000 |
| Refunding | 309,664 | 282,116 |
| Total | $592,189 | $496,116 |

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Source: Johnson County Audit Reports.

C3-8

TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Johnson

STATE Arkansas

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 110,018 | $ 66,486 | $ 176,504 | 785,066 | $ 961,570 |
| 1958 | 121,675 | 65,924 | 187,599 | 911,312 | 1,098,911 |
| 1959 | 121,643 | 62,188 | 183,831 | 864,453 | 1,048,284 |
| 1960 | 183,023 | 63,213 | 246,236 | 718,562 | 964,798 |
| 1961 | 173,740 | 57,534 | 231,274 | 691,748 | 923,022 |
| 1962 | 179,619 | 55,619 | 235,238 | 966,242 | 1,201,480 |
| 1963 | 193,338 | 57,036 | 250,374 | 1,132,225 | 1,382,599 |
| 1964 | 184,957 | 56,953 | 241,910 | 1,233,902 | 1,475,812 |
| 1965 | 193,687 | 61,090 | 254,777 | 1,258,724 | 1,513,501 |
| 1966 | 199,837 | 75,543 | 275,380 | 1,291,532 | 1,566,912 |
| % incr./decr. '66 vs. 1st yr. | 81.6 | 13.6 | 56.0 | 64.5 | 63.0 |

Source: Johnson County Audit Reports

## TABLE NO. C-1a

### ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY-TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME
### 1957 - 1966

COUNTY Johnson

STATE Arkansas

C3-17

| YEAR | State Taxes ($000) Sales & Gross Receipts (1) | Individual Income (2) | Other1/ (3) | Total1/ (4) | Total State Taxes % of EBI (5) | Per Capita($) (6) | Local Property Taxes % of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes % of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 493 | 31 | 157 | 681 | 6.35 | 55.82 | 1.64 | 14.47 | 7.99 | 70.29 |
| 1958 | 569 | 43 | 168 | 780 | 6.60 | 66.10 | 1.59 | 15.90 | 8.19 | 82.00 |
| 1959 | 635 | 53 | 180 | 868 | 6.54 | 72.34 | 1.38 | 15.32 | 7.92 | 87.66 |
| 1960 | 687 | 63 | 182 | 932 | 6.31 | 76.39 | 1.67 | 20.18 | 7.98 | 96.57 |
| 1961 | 682 | 57 | 184 | 923 | 7.46 | 78.22 | 1.87 | 19.60 | 9.33 | 97.82 |
| 1962 | 671 | 68 | 196 | 935 | 6.81 | 76.64 | 1.71 | 19.28 | 8.52 | 95.92 |
| 1963 | 746 | 76 | 193 | 1,015 | 7.22 | 85.29 | 1.78 | 21.04 | 9.00 | 106.33 |
| 1964 | 822 | 83 | 207 | 1,112 | 7.36 | 94.24 | 1.60 | 20.50 | 8.96 | 114.74 |
| 1965 | 822 | 95 | 215 | 1,132 | 6.77 | 91.29 | 1.52 | 20.55 | 8.29 | 111.84 |
| 1966 | 964 | 151 | 261 | 1,376 | 7.18 | 110.97 | 1.44 | 22.21 | 8.62 | 133.18 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7)
Col. (10) = Col. (6) + Col. (8)

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Johnson

STATE Arkansas

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 540,575 | $ 113,927 | $ 453,584 | $ 1,108,086 | $ 91 |
| 1958 | 526,357 | 134,975 | 407,995 | 1,069,327 | 91 |
| 1959 | 529,682 | 128,763 | 416,254 | 1,074,699 | 90 |
| 1960 | 574,467 | 113,758 | 373,059 | 1,061,284 | 87 |
| 1961 | 630,336 | 105,856 | 346,449 | 1,082,641 | 92 |
| 1962 | 641,499 | 106,354 | 435,906 | 1,183,759 | 97 |
| 1963 | 785,244 | 123,542 | 436,513 | 1,345,299 | 116 |
| 1964 | 825,746 | 157,555 | 514,546 | 1,497,847 | 127 |
| 1965 | 744,745 | 154,678 | 522,376 | 1,421,799 | 115 |
| 1966 | 971,310 | 146,778 | 481,699 | 1,599,787 | 129 |
| % incr./decr.'66 vs. first year | 79.7 | 28.8 | 6.2 | 44.4 | 41.8 |
| % incr./decr.'66 vs. first year per capita | 77.3 | 26.8 | 5.4 | 41.8 | |

Source: Johnson County Audit Reports
Col. (5): Col. (4) divided by population estimates, Sales Management.

C3-11

County Johnson

State Arkansas

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential | (2) Commercial, Industrial | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. | (6) Personal | (7) Other | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value<br>Aver. Tax Rate 49.0 mills | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $3,597,038 |
| Item % of Total | NA | NA | NA | NA | NA | NA | NA | 100.0 |
| 1958 Assessed Value<br>Aver. Tax Rate 60.1 mills | NA | NA | NA | NA | NA | NA | NA | 3,615,937 |
| 1959 Assessed Value<br>Aver. Tax Rate 36.9 mills | NA | NA | NA | NA | NA | NA | NA | 4,972,322 |
| 1960 Assessed Value<br>Aver. Tax Rate 50.0 mills | NA | NA | NA | NA | NA | NA | NA | 4,921,538 |
| 1961 Assessed Value<br>Aver. Tax Rate 46.2 mills | NA | NA | NA | NA | NA | NA | NA | 5,003,738 |
| 1962 Assessed Value<br>Aver. Tax Rate 46.4 mills | NA | NA | NA | NA | NA | NA | NA | 5,060,086 |
| 1963 Assessed Value<br>Aver. Tax Rate 48.5 mills | NA | NA | NA | NA | NA | NA | NA | 5,158,397 |
| 1964 Assessed Value<br>Aver. Tax Rate 44.4 mills | NA | NA | NA | NA | NA | NA | NA | 5,444,014 |
| 1965 Assessed Value<br>Aver. Tax Rate 46.1 mills | NA | NA | NA | NA | NA | NA | NA | 5,515,795 |
| 1966 Assessed Value1/<br>Aver. Tax Rate 49.0 mills | NA | NA | NA | NA | NA | NA | NA | 5,610,690 |
| Item % of Total | NA | NA | NA | NA | NA | NA | NA | 100.0 |
| Increase/Decrease '66 vs. '57 | NA | NA | NA | NA | NA | NA | NA | 56.0 |

1/Assessed value represents 20 percent of actual market value in 1966.

Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

C3 -12

PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-4
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| —— DESCRIPTION ——— | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = ARKANSAS | | | | | | | | | | |
| COUNTY = JOHNSON | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 37576 | 30628 | 34080 | 49061 | 25789 | 22133 | 26327 | 23081 | 28659 | 23397 |
| PERCENT BASE YEAR | 100.0 | 81.5 | 90.7 | 130.6 | 68.6 | 58.9 | 70.1 | 61.4 | 76.3 | 62.3 |
| PROGRAM ACREAGE | 169129 | 169129 | 169129 | 169129 | 169249 | 169289 | 169941 | 170383 | 170383 | 170423 |
| REVENUE $ PER ACRE | 0.22 | 0.18 | 0.20 | 0.29 | 0.15 | 0.13 | 0.15 | 0.14 | 0.17 | 0.14 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 37576 | 30628 | 34080 | 49061 | 25789 | 22133 | 26327 | 23081 | 28659 | 23397 |
| PERCENT BASE YEAR | 100.0 | 81.5 | 90.7 | 130.6 | 68.6 | 58.9 | 70.1 | 61.4 | 76.3 | 62.3 |
| PROGRAM ACREAGE | 169129 | 169129 | 169129 | 169129 | 169249 | 169289 | 169941 | 170383 | 170383 | 170423 |
| REVENUE $ PER ACRE | 0.22 | 0.18 | 0.20 | 0.29 | 0.15 | 0.13 | 0.15 | 0.14 | 0.17 | 0.14 |

C3-13

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## PUBLIC LAND LAW REVIEW COMMISSION

### TABLE NO. C-4A
### FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = ARKANSAS | | | | | | | | | | |
| COUNTY = JOHNSON | | | | | | | | | | |
| FLOOD CONTROL PROGRAM * | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 0 | 0 | 0 | 0 | 2377 | 7244 | 12515 | 14493 | 6889 | 4827 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 304.8 | 526.5 | 609.7 | 289.8 | 203.1 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 37576 | 30628 | 34080 | 49061 | 28161 | 29377 | 38842 | 37574 | 35548 | 28224 |
| PERCENT BASE YEAR | 100.0 | 81.5 | 90.7 | 130.6 | 75.0 | 78.2 | 103.4 | 100.0 | 94.6 | 75.1 |
| PROGRAM ACREAGE | 169129 | 169129 | 169129 | 169129 | 169249 | 169289 | 169941 | 170383 | 170383 | 170423 |
| REVENUE $ PER ACRE | 0.22 | 0.18 | 0.20 | 0.29 | 0.17 | 0.17 | 0.23 | 0.22 | 0.21 | 0.17 |

*Total land available under program in 1966 was 18,173 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Johnson

STATE: Arkansas

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Construction Material | $ 500 |
| | Rights-of-way | 222 |
| | Forest Fire Protection | 15,290 |
| C of E | Rights-of-way | 800 |
| | Total | $ 16,812 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

C3-15

County Johnson

State Arkansas

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES 1/

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA |
| 1959 | 55,439 | 58,816 | 114,255 |
| 1960 | 45,170 | 80,686 | 125,856 |
| 1961 | 39,742 | 97,132 | 136,874 |
| 1962 | 70,720 | 103,588 | 174,308 |
| 1963 | 149,177 | 412,883 | 562,060 |
| 1964 | 156,063 | 364,018 | 520,081 |
| 1965 | 82,633 | 116,283 | 198,916 |
| 1966 | 117,559 | 244,343 | 361,902 |
| Average Year | 126,358 | 284,381 | 410,739 |
| Item % of Total, Average Year | 30.8 | 69.2 | 100.0 |

1/ Data for Corps of Engineers (1957-62) is not available. Average year based on last four years.

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices

Federal Agency US Forest Service

Program Ozark National Forest

County Johnson

State Arkansas

TABLE NO. C-7a

Page 1 of 2

FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1959 | 10,254 | 216 | 659 | 42,345 | 44,461 | 175 | 13,111 | 276 | 2,758 | 114,255 |
| 1960 | 13,465 | 195 | 372 | 42,944 | 60,732 | 331 | 5,447 | 394 | 1,976 | 125,856 |
| 1961 | 12,790 | 585 | 950 | 27,875 | 69,025 | 244 | 22,227 | 673 | 2,505 | 136,874 |
| 1962 | 13,126 | 1,232 | 1,095 | 33,082 | 79,831 | 182 | 39,520 | 1,864 | 4,376 | 174,308 |
| 1963 | 21,435 | 1,898 | 1,327 | 60,876 | 104,888 | 260 | 120,115 | 5,941 | 5,320 | 322,060 |
| 1964 | 41,074 | 721 | 5,408 | 80,386 | 80,334 | 0 | 62,469 | 6,814 | 2,875 | 280,081 |
| 1965 | 20,908 | 1,027 | 5,599 | 48,891 | 87,942 | 1,317 | 18,243 | 1,620 | 2,119 | 187,666 |
| 1966 | 38,226 | 2,259 | 6,774 | 128,270 | 84,073 | 1,616 | 80,329 | 1,797 | 7,308 | 350,652 |

Source: Federal Agencies' Field Offices

C3-17

Federal Agency Corps of Engineers

Program Dardanelle Lock & Dam

County Johnson

State Arkansas

TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Boat Ramps | Masonry Toilets | Picnic Units | Roads | Water Wells | Group Picnic Shelters | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 1/ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| 1958 | | | | | | | | | | |
| 1959 | | | | | | | | | | |
| 1960 | | | | | | | | | | |
| 1961 | | | | | | | | | | |
| 1962 | | | | | | | | | | |
| 1963 | 5,000 | 33,000 | 0 | 187,500 | 7,000 | 7,500 | 0 | 0 | 0 | 240,000 |
| 1964 | 5,000 | 33,000 | 0 | 187,500 | 7,000 | 7,500 | 0 | 0 | 0 | 240,000 |
| 1965 | 0 | 0 | 11,250 | 0 | 0 | 0 | 0 | 0 | 0 | 11,250 |
| 1966 | 0 | 0 | 11,250 | 0 | 0 | 0 | 0 | 0 | 0 | 11,250 |

1/ Data for the period 1957-1962 not applicable. Expenditures here relate to construction cost of the dam and reservoir exclusively.

Source: Federal Agencies' Field Offices

## TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Johnson

STATE Arkansas

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| **Forest Service** | $ 6.00 | 170,423 | $ 1,022,538 | 45.0 | $ 46,014 | 27¢ |
| C of E | 26.67 | 18,173 | 484,673 | 45.0 | 21,810 | 120 |
| **Totals** | $ 8.00 | 188,596 | $ 1,507,211 | 45.0 | $ 67,824 | 36¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency **US Forest Service**

Revenue Sharing Program **Ozark National Forest** (25%)a/

County **Johnson**

State **Arkansas**

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 × a/) |
|---|---|---|---|---|---|
| 1957 | $ 168,174 | $ 17,866 | 150,308 | $ 37,577 | $ 4,466 |
| 1958 | 164,739 | 28,419 | 136,320 | 34,080 | 7,105 |
| 1959 | 157,886 | 35,438 | 122,448 | 30,612 | 8,860 |
| 1960 | 250,079 | 53,835 | 196,244 | 49,061 | 13,459 |
| 1961 | 153,478 | 50,315 | 103,163 | 25,791 | 12,579 |
| 1962 | 125,484 | 36,948 | 88,536 | 22,134 | 9,237 |
| 1963 | 125,589 | 20,277 | 105,312 | 26,328 | 5,069 |
| 1964 | 114,108 | 21,784 | 92,324 | 23,081 | 5,446 |
| 1965 | 135,374 | 20,734 | 114,640 | 28,660 | 5,184 |
| 1966 | 109,113 | 15,521 | 93,592 | 23,398 | 3,880 |

Source: **Federal Agencies' Field Offices**

## CASE COUNTY DIGEST
## DEL NORTE, CALIFORNIA

### I. The County

a. General Description: Del Norte is one of the smaller counties in California, located in the northwestern corner of the state bordering Oregon and the Pacific Ocean. It is a rural county with only one incorporated municipality. The county seat is Crescent City. There are six school districts and 12 special districts in the county. The special districts are the following: Community Services (4), Fire Protection (5), Flood Control and Water Conservation (1), Harbors and Ports (1) and Hospitals (1).

These districts, the school district and the single municipality provide the county with inputs on tax assessments and levies. They are self-sufficient in their operations but in all other respects rely on county and state government. Several of these districts qualify for and obtain direct grants from state and Federal government.

The municipality provides local street services, law enforcement, library and recreation services. The county provides the full range of governmental services except for those which are specifically delegated to special districts.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 17,771 | 1966 | 2 | 18,000 | 1.3 |
| Urban1/ | 1960 | 1 | 6,044 | 1966 | 2 | 6,100 | 0.9 |
| Rural | 1960 | 1 | 11,727 | 1966 | 2 | 11,900 | 1.5 |
| Employment | 1959 | 3 | 3,807 | 1966 | 3 | 3,550 | -6.8 |
| Effective Buying Income ($000) | 1960 | 2 | 36,693 | 1966 | 2 | 42,643 | 16.2 |
| Per Capita EBI ($) | 1960 | 2 | 2,005 | 1966 | 2 | 2,369 | 18.2 |
| Public School Enrollment (K-12) | 1960 | 1 | 4,319 | 1965 | 4 | 4,600 | 6.5 |

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1/ Includes areas of 2,500 people or more.

Sources: See Page C4-2.

These figures indicate that during the 1960-1966 period there was no significant change in the county's population but employment declined. Notwithstanding, total effective buying income and per capita EBI increased and the per capita EBI figure reported for 1966 was about average for rural counties in California.

Public school enrollment (K-12) increased during the 1960-1966 period five times the rate of population growth.

c. The Land: The county's total land area is over 644,000 acres. Of this, about 450,000 acres were reported to be in Federal ownership and subject to the National Forest Fund revenue sharing program. This acreage reflects parts of the Six Rivers and Siskiyou National Forests which are located within the county. They amount to just under 70% of the county's land area.

Additionally, BLM (BLM Statistics, State Source, California 1966), lists 703 acres under its exclusive control. They are classified as outside grazing districts and reserve lands for which no RS has been reported.

## II. County Finance

a. Revenues: Table No. C-1 contains detailed revenue data for the county for the period 1957-1966. It shows an increase in total receipts over the 10-year period of $3.4 million, a rate of 62%. The smallest component of total receipts, personal property taxes, increased 145% while real property taxes increased 65%, indicating increased reliance on personal property taxes.

Table No. C-1a shows that during this period, on a per capita basis, collection of state taxes grew at a rate of about 44% while the collection of local property taxes grew at a rate of about 70%. Combined, the collection of state taxes and local property taxes grew at a rate of 56% per capita and as a percent of EBI by 16%.

The county's bonded indebtedness, excluding that of special districts, remained stable during the period 1956-1966. The summary at the end of the case study digest shows the face value and

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Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U. S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program.)
4. U. S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

outstanding indebtedness as of 1966. School bonds are the only kind outstanding. The bonded indebtedness of the special districts is that of the irrigation districts which cross county lines and are independent of county government.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the 10-year study period. It shows a rate of increase of about the same magnitude as receipts. The sharpest rate of increase in expenditures was for highways which accounted for about $.8 million out of the $3.2 million total increase. Expenditures for education increased at a rate of 31% and accounted for $.8 million of the increase. The increase in other expenditures reflects in large measure the expended activities of the special districts.

c. Property Taxes: Table No. C-3 contains detailed data for the assessed value of property subject to taxes for the period 1957-1966. Total assessed value increased by 38%. The largest rate of increase was for the assessed value of public utilities which increased by 120%. The assessed value of rural properties increased by almost $4 million, although their share of total assessed value declined from 70% in 1957 to 63% in 1966.

During the 10-year study period the average weighted tax rate increased almost continually and the 1966 rate of 82.2 mills is 29% higher than the 1957 rate. These rates apply to an average assessed value equal to 24% of the actual market value of the assessed properties. Public utilities are assessed by the State Board of Equalization.

Included in the assessed value of properties subject to tax are those pertaining to commercial and residential leasehold improvements on Forest Service managed lands. The summary at the end of the case study digest contains the relevant figures which show a total estimated assessed value of $80,700, yielding a tax revenue of $6,885.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: The payment relating to the national forests within the county is the only current source of RS. Acreage and payment data for the 10-year period are contained in Table No. C-4 which shows a substantial increase in the payments to the county over the 10-year period. The 1966 payment of about $618,500 is over three times the 1957 payment and is over 20% more than that for the preceding year. The all-time high was attained in 1964 when the payment amounted to $623,772. Until that year, the county also obtained small payments from Corps of Engineers managed lands. These were discontinued in 1965 because there were no further revenues from the sale of land and materials by the Corps of Engineers.

b. Indirect Benefits: Allocations to the county under the BPR sliding scale highway aid program were made until 1963. These allocations are reflected in Table No. C-5.

c. Value of Free Goods and Services: The county has obtained the free use of a considerable quantity of land for various purposes including maintenance camps, antenna sites, roads, and a fire tower. In addition, it has also obtained construction materials free of charge. Table No. C-6 contains an estimate of the annual value of the free use of these tracts of land and the construction materials and shows a total of $12,400.

d. Federal Facilities and Services Having Joint Use: The Forest Service reported that the county has not obtained the free use of any of its facilities.

e. Resource Expenditures - Management: The Forest Service made substantial resource program expenditures in each of the years and especially during the last three years of the 10-year study period. A summary of these expenditures is contained in Table No. C-7 and shows an average annual expenditure of $1,262,660. Approximately 41% of these expenditures were allocable to capital items. Table No. C-7a1 contains the details for those expenditures by expenditure category.

The Forest Service land management activities comprise the full scope including development of recreational facilities and other multiple use purposes such as grazing land improvement.

## IV. Burdens to Local Government

a. Direct Burdens: Due to the peculiar topography of the county and the fact that almost the entire county population resides in the coastal plains area, county government is not involved to any measurable extent in the provision of services upon or which are attributable specifically to the public lands. Consequently, it was ascertained from county officials that no direct financial burdens are incurred by the county due to the presence of public lands.

b. Indirect Burden: The surface value of the forest lands in Del Norte County is relatively low although all are productive and over 6,000 acres are of recreational use quality. A particular reason for the relatively low surface value is that the tree growth is taxed separately under an existing timber tax ordinance. Table No. C-8 contains an estimate of the assessable value of the forest lands and an estimate of the potential tax revenue which might be collected if the lands were in private ownership. It shows a total tax potential of over $192,000 averaging about 4¢/acre. If the timber tax were added, an additional tax revenue of about $1.5 million, averaging $3.9 per acre, would be obtained.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: The Forest Service made K-V Fund collections in each year of the 10-year study period. The figures are contained in Table No. C-9. They show that the K-V Fund collections generally ranged between 9% and 10% of gross receipts and resulted in "lost" RS payments which, in 1964, amounted to 11% of the net payment to the county; in 1965, 11%, and in 1966, 10% of the net payment.

Additionally, the RS payments to the county were reduced as a result of the Forest Service's practice of reducing the value of the timber purchase contracts by the estimated cost of construction and reconstruction of harvest roads. If this reduction had not been made in 1966 -- it amounted to $300,698 -- the RS payment to the county would have been increased by $75,174.

d. Public Laws 815 and 874: The county obtained payments under PL 815 and PL 874 in several years of the 10-year period. The pertinent figures are contained in Table No. C-10.

## V. Impact of Present System

a. County Finance: Del Norte County benefits substantially from the present RS payments. As stated, county government does not incur any direct burdens and the RS payments and in-kind benefits obtained are substantially more than the ad valorem tax upon the lands might yield. However, if the timber tax is added to the potential tax revenue a greater benefit than that obtained from the RS programs would result. The following summary figures provide a comparison:

| | |
|---|---|
| RS (C-4) | $618,526 |
| Free Goods and Services (C-6) | 12,395 |
| Total Direct Benefits | $630,921 = $1.40/acre |

This compares with the potential surface value tax of 4¢/acre or the combined potential surface value and timber tax of $3.91/acre.

b. The Overview: Del Norte County's economy is based primarily upon the valuable timber supply mostly comprising giant redwood trees. While the county is continually concerned with RS payments, their annual level and the year-to-year fluctuations, far greater concern has been expressed for the potential exclusion of a considerable portion of the timber supply by the establishment of the Redwood National Park. The county's Chairman of the Board of Supervisors was reluctant to express a specific attitude as to whether he favored or opposed the establishment of this national park. It was evident, however, that if the proposed litigation were to be passed, the county might not only be deprived of a considerable RS revenue, but, more importantly, of some of the essential timber supply for its mills. Because it is not known presently what the level of payment under a PILT system to Del Norte County might be, it is inadvisable to evaluate the potential direct impact.

The interview with county officials also identified that they are aware of the fact that, if the lands were in private ownership, potential tax collections might substantially exceed those of the current RS payments. However, these officials did not seem to recognize the fact that they would then also incur financial burdens for the provision of a variety of public services upon these lands.

## DEL NORTE, CALIFORNIA

### SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| Forest Service | Commercial, Residential | $80,720 | $6,885 |
| Total | | $80,720 | $6,885 |

Source: Federal Agencies' Field Offices and County Tax Assessor

### BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $2,129,310 | $1,236,310 |
| Total | $2,129,310 | $1,236,310 |

Source: Del Norte County Audit Reports

C4-7

TABLE NO. C-1

LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Del Norte

STATE California

| Year | Real Property1/ (1) | Personal Property1/ (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $1,211,737 | $ 229,263 | $ 1,441,000 | $ 4,004,405 | $ 5,445,405 |
| 1958 | 1,261,142 | 270,858 | 1,532,000 | 4,812,314 | 6,344,314 |
| 1959 | 1,494,195 | 335,805 | 1,830,000 | 4,010,594 | 5,840,594 |
| 1960 | 1,483,510 | 363,490 | 1,847,000 | 4,002,042 | 5,849,042 |
| 1961 | 1,671,043 | 447,957 | 2,119,000 | 4,589,334 | 6,708,334 |
| 1962 | 1,741,276 | 481,724 | 2,223,000 | 4,089,390 | 6,312,390 |
| 1963 | 1,778,406 | 475,594 | 2,254,000 | 4,605,247 | 6,859,247 |
| 1964 | 1,797,025 | 488,975 | 2,286,000 | 4,500,998 | 6,786,998 |
| 1965 | 1,938,676 | 520,324 | 2,459,000 | 5,971,053 | 8,430,053 |
| 1966 | 2,004,314 | 562,686 | 2,567,000 | 6,261,112 | 8,828,112 |
| % incr./decr. '66 vs. 1st yr. | 65.4 | 145.4 | 78.1 | 56.4 | 62.1 |

1/ Allocation between real and personal property tax estimated, specific figures for each not available at source.

Sources: State Board of Equalization and Annual Report of Financial Transactions, State of California.

## TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Del Norte

STATE California

| YEAR | State Taxes ($000)<br>Sales & Gross Receipts (1) | Individual Income (2) | Other 1/ (3) | Total 1/ (4) | Total State Taxes<br>% of EBI (5) | Per Capita($) (6) | Local Property Taxes<br>% of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes<br>% of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 1,209 | 143 | 351 | 1,703 | 5.64 | 99.59 | 4.77 | 84.27 | 10.41 | 183.86 |
| 1958 | 1,169 | 149 | 368 | 1,686 | 5.40 | 95.80 | 4.90 | 87.05 | 10.30 | 182.85 |
| 1959 | 1,106 | 160 | 388 | 1,654 | 4.87 | 91.89 | 5.39 | 101.66 | 10.26 | 193.55 |
| 1960 | 1,216 | 234 | 400 | 1,850 | 5.04 | 101.09 | 5.03 | 100.93 | 10.07 | 202.02 |
| 1961 | 1,100 | 255 | 456 | 1,811 | 4.80 | 93.83 | 5.61 | 109.79 | 10.41 | 203.62 |
| 1962 | 1,142 | 267 | 447 | 1,856 | 4.93 | 97.17 | 5.91 | 116.39 | 10.84 | 213.56 |
| 1963 | 1,213 | 276 | 469 | 1,958 | 5.06 | 104.71 | 5.82 | 120.53 | 10.88 | 225.24 |
| 1964 | 1,432 | 340 | 521 | 2,293 | 5.42 | 117.59 | 5.41 | 117.23 | 10.83 | 234.82 |
| 1965 | 1,669 | 323 | 517 | 2,509 | 6.05 | 137.10 | 5.93 | 134.37 | 11.98 | 271.47 |
| 1966 | 1,697 | 345 | 539 | 2,581 | 6.05 | 143.39 | 6.02 | 142.61 | 12.07 | 286.00 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7)
Col. (10) = Col. (6) + Col. (8)

C4-16

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Del Norte

STATE California

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $2,562,122 | $ 540,686 | $ 2,219,933 | $ 5,322,741 | $ 311 |
| 1958 | 3,557,686 | 702,474 | 2,831,222 | 7,091,382 | 403 |
| 1959 | 2,246,980 | 550,781 | 3,037,696 | 5,835,457 | 324 |
| 1960 | 2,613,066 | 687,694 | 2,339,259 | 5,640,019 | 308 |
| 1961 | 3,004,280 | 767,200 | 2,597,260 | 6,368,740 | 330 |
| 1962 | 3,212,877 | 611,527 | 2,827,742 | 6,652,146 | 348 |
| 1963 | 2,393,491 | 588,073 | 4,038,358 | 7,019,922 | 375 |
| 1964 | 2,500,756 | 673,811 | 3,908,260 | 7,082,827 | 363 |
| 1965 | 2,831,078 | 1,046,586 | 3,850,743 | 7,728,407 | 422 |
| 1966 | 3,362,961 | 1,319,195 | 3,885,960 | 8,568,116 | 476 |
| % incr./decr.'66 vs. first year | 31.3 | 144.0 | 75.0 | 61.0 | 53.1 |
| % incr./decr.'66 vs. first year per capita | 24.7 | 128.1 | 66.2 | 53.1 | |

Source: Annual Report of Financial Transactions, State of California
Col. (5): Col. (4) divided by population estimates, Sales Management.

County Del Norte

State California

TABLE NO. C-3

ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1)<br>Residential | (2)<br>Commercial, Industrial 2/ | (3)<br>Public Utility | (4)<br>Rural | (5)<br>Mineral, Timber Other Nat. Res. 2/ | (6)<br>Personal | (7)<br>Other 2/ | (8)<br>Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 2,677,217 | $ | $ 502,800 | $15,859,094 | $ | $ 3,599,105 | $ | $ 22,638,216 |
| Aver. Tax Rate 63.7 mills | | | | | | | | |
| Item % of Total | 11.8 | | 2.2 | 70.1 | | 15.9 | | 100.0 |
| 1958 Assessed Value | 2,898,185 | | 634,040 | 16,514,430 | | 4,299,333 | | 24,345,988 |
| Aver. Tax Rate 63.0 mills | | | | | | | | |
| 1959 Assessed Value | 2,911,199 | | 640,530 | 15,864,191 | | 4,361,104 | | 23,777,024 |
| Aver. Tax Rate 77.0 mills | | | | | | | | |
| 1960 Assessed Value | 2,970,150 | | 644,130 | 16,186,964 | | 4,846,533 | | 24,647,777 |
| Aver. Tax Rate 75.0 mills | | | | | | | | |
| 1961 Assessed Value | 3,041,885 | | 995,980 | 18,108,655 | | 5,933,205 | | 28,079,725 |
| Aver. Tax Rate 75.5 mills | | | | | | | | |
| 1962 Assessed Value | 3,095,235 | | 1,166,100 | 18,957,315 | | 6,422,987 | | 29,641,637 |
| Aver. Tax Rate 75.0 mills | | | | | | | | |
| 1963 Assessed Value | 3,216,385 | | 1,196,570 | 19,376,860 | | 6,358,208 | | 30,148,023 |
| Aver. Tax Rate 74.8 mills | | | | | | | | |
| 1964 Assessed Value | 3,372,215 | | 1,134,880 | 19,249,225 | | 6,459,379 | | 30,215,699 |
| Aver. Tax Rate 75.7 mills | | | | | | | | |
| 1965 Assessed Value | 3,558,610 | | 1,134,590 | 20,005,245 | | 6,628,331 | | 31,326,776 |
| Aver. Tax Rate 78.5 mills | | | | | | | | |
| 1966 Assessed Value 1/ | 3,592,710 | | 1,108,490 | 19,701,923 | | 6,845,328 | | 31,248,451 |
| Aver. Tax Rate 82.2 mills | | | | | | | | |
| Item % of Total | 11.5 | | 3.6 | 63.0 | | 21.9 | | 100.0 |
| Increase/Decrease '66 vs. '57 | 34.2 | | 120.5 | 24.2 | | 90.2 | | 38.0 |

1/Assessed value represents 24 percent of actual market value in 1966.
2/Included in other items.
Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

CH-11

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = CALIFORNIA<br>COUNTY = DEL NORTE | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 189488 | 144252 | 289231 | 208614 | 181581 | 224544 | 310421 | 622753 | 505694 | 518524 |
| PERCENT BASE YEAR | 100.0 | 76.1 | 152.6 | 110.1 | 95.8 | 118.5 | 163.8 | 328.7 | 266.9 | 326.4 |
| PROGRAM ACREAGE | 446507 | 446506 | 446506 | 446506 | 446506 | 446506 | 446666 | 449702 | 449702 | 450009 |
| REVENUE $ PER ACRE | 0.42 | 0.32 | 0.65 | 0.47 | 0.41 | 0.50 | 0.69 | 1. | 1.12 | 1.37 |
| TAYLOR GRAZE SECT 15 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 0 | 16 | 0 | 0 | 15 | 0 | 0 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 | 93.8 | 0.0 | 0.0 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 189488 | 144252 | 289231 | 208614 | 181597 | 224544 | 310421 | 622768 | 505694 | 618524 |
| PERCENT BASE YEAR | 100.0 | 76.1 | 152.6 | 110.1 | 95.8 | 118.5 | 163.8 | 328.7 | 266.9 | 326.4 |
| PROGRAM ACREAGE | 446507 | 446506 | 446506 | 446506 | 446506 | 446506 | 446666 | 449702 | 449702 | 450009 |
| REVENUE $ PER ACRE | 0.42 | 0.32 | 0.65 | 0.47 | 0.41 | 0.50 | 0.69 | 1.38 | 1.12 | 1.37 |

NA = data not available.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

(4-12)

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-44
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = CALIFORNIA<br>COUNTY = DEL NORTE | | | | | | | | | | |
| FLOOD CONTROL PROGRAM | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 293 | 1943 | 1209 | 1175 | 1038 | 1175 | 1038 | 1003 | 0 | 0 |
| PERCENT BASE YEAR | 100.0 | 663.1 | 412.6 | 401.0 | 354.3 | 401.0 | 354.3 | 342.3 | 0.0 | 0.0 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 189781 | 146195 | 290440 | 209789 | 182635 | 225719 | 311459 | 623771 | 505694 | 618524 |
| PERCENT BASE YEAR | 100.0 | 77.0 | 153.0 | 110.5 | 96.2 | 118.9 | 164.1 | 328.7 | 266.5 | 326.4 |
| PROGRAM ACREAGE | 446507 | 446506 | 446506 | 446506 | 446506 | 446506 | 446666 | 449702 | 449702 | 450009 |
| REVENUE $ PER ACRE | 0.42 | 0.33 | 0.65 | 0.47 | 0.41 | 0.51 | 0.70 | 1.39 | 1.12 | 1.37 |

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

C4-15

# TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Del Norte

STATE California

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 453,890 | $ 14,906 |
| 1958 | 76,000 | 10,584 |
| 1959 | 7,267 | 1,080 |
| 1960 | 78,579 | 10,850 |
| 1961 | 6,923 | 1,140 |
| 1962 | 24,851 | 3,975 |
| 1963 | 2,209,039 | 356,440 |
| 1964 | 0 | 0 |
| 1965 | 0 | 0 |
| 1966 | 0 | 0 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC.

## TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Del Norte

STATE: California

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Land (various public purposes) | $ 11,765 |
| | Construction Material | 630 |
| | | $ 12,395 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

C4-15

County Del Norte

State California

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 296,096 | $ 453,274 | $ 749,370 |
| 1958 | 322,366 | 440,504 | 762,870 |
| 1959 | 350,417 | 318,933 | 669,350 |
| 1960 | 736,990 | 298,930 | 1,035,920 |
| 1961 | 551,210 | 327,490 | 878,700 |
| 1962 | 686,195 | 238,575 | 924,770 |
| 1963 | 713,362 | 904,878 | 1,618,240 |
| 1964 | 815,186 | 1,084,604 | 1,899,790 |
| 1965 | 1,447,093 | 473,447 | 1,920,540 |
| 1966 | 1,494,915 | 672,135 | 2,167,050 |
| Average Year | 741,383 | 521,277 | 1,262,660 |
| Item % of Total, Average Year | 58.7 | 41.3 | 100.0 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices

Federal Agency US Forest Service

Program Six Rivers & Siskyou National Forests

County Del Norte

State California

TABLE NO. C-7a

Page 1 of 1

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 69,880 | $ 900 | $ 430 | $ 497,850 | $ 12,220 | $ 0 | $ 2,820 | $ 430 | $ 170,850 | $ 755,380 |
| 1958 | 93,750 | 3,910 | 40 | 456,520 | 13,550 | 0 | 21,160 | 1,290 | 172,700 | 762,920 |
| 1959 | 98,350 | 4,380 | 0 | 319,410 | 43,870 | 350 | 23,210 | 430 | 178,470 | 669,350 |
| 1960 | 406,610 | 3,520 | 0 | 302,390 | 97,430 | 280 | 15,710 | 430 | 209,570 | 1,035,940 |
| 1961 | 201,860 | 9,570 | 430 | 416,440 | 117,120 | 490 | 17,830 | 860 | 114,110 | 878,710 |
| 1962 | 170,460 | 7,420 | 4,260 | 294,960 | 148,570 | 390 | 29,500 | 3,110 | 266,110 | 924,780 |
| 1963 | 146,690 | 7,880 | 5,960 | 815,680 | 146,780 | 460 | 98,540 | 3,290 | 392,960 | 1,618,240 |
| 1964 | 152,240 | 10,560 | 6,520 | 980,970 | 161,870 | 460 | 36,050 | 3,580 | 547,540 | 1,899,790 |
| 1965 | 211,590 | 9,340 | 10,960 | 1,038,550 | 139,970 | 420 | 27,160 | 3,290 | 480,550 | 1,920,540 |
| 1966 | 197,700 | 6,260 | 37,620 | 552,600 | 178,710 | 1,910 | 85,590 | 2,600 | 1,104,040 | 2,167,030 |

Source: Federal Agencies' Field Offices

C4-F

## TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Del Norte

STATE California

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | | | | | | |
| Timber - Recreation | $ 18.33 | 6,178 | $ 113,243 | 79.8 | $ 9,037 | 15¢ |
| Timber - Producing | 5.46 | 335,681 | 1,832,818 | 79.8 | 146,259 | 4 |
| Non-productive | 4.28 | 108,150 | 462,882 | 79.8 | 36,937 | 3 |
| Totals 3/ | $ 5.47 | 450,009 | $ 2,408,943 | 79.8 | $ 192,233 | 4¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.
3/ Exclusive of timber tax; if it were applied it is estimated to yield approximately $3.40/acre (total of about $1.55 million).

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBRMC Estimates.

Federal Agency US Forest Service
Revenue Sharing Program Six Rivers & Siskiyou National Forests (25%)[a/]
County Del Norte
State California

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 x a/) |
|---|---|---|---|---|---|
| 1957 | 605,529 | $ 56,545 | 548,984 | $ 137,246 | 14,136 |
| 1958 | 354,773 | 33,421 | 321,352 | 80,338 | 8,355 |
| 1959 | 1,277,253 | 120,321 | 1,156,932 | 289,233 | 30,080 |
| 1960 | 915,403 | 80,943 | 834,460 | 208,615 | 20,236 |
| 1961 | 800,413 | 74,085 | 726,328 | 181,582 | 18,521 |
| 1962 | 987,104 | 88,920 | 898,184 | 224,546 | 22,230 |
| 1963 | 1,372,070 | 130,378 | 1,241,692 | 310,423 | 32,595 |
| 1964 | 2,760,046 | 269,030 | 2,491,016 | 622,754 | 67,258 |
| 1965 | 2,247,309 | 224,529 | 2,022,780 | 505,695 | 56,132 |
| 1966 | 2,719,040 | 244,936 | 2,474,104 | 618,526 | 61,234 |

Source: Federal Agencies' Field Offic

County Del N te

State California

## TABLE NO. C-10

### FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACIED AREAS

CH-21

| Years | Total School Budget | P.L. 815 Aid Provided | P.L. 815 % of Total Budget | P.L. 874 Aid Provided | P.L. 874 % of Total Budget |
|---|---|---|---|---|---|
| 1957 | $ 0 | $ 0 | 0 | $ 0 | 0 |
| 1958 | 0 | 0 | 0 | 0 | 0 |
| 1959 | 2,246,980 | 47,905 | 2.13 | 0 | 0 |
| 1960 | 2,613,066 | 47,905 | 1.83 | 7,272 | 0.27 |
| 1961 | 3,004,280 | 47,905 | 1.59 | 17,544 | 0.58 |
| 1962 | 3,212,877 | 0 | 0 | 15,720 | 0.48 |
| 1963 | 2,393,491 | 0 | 0 | 15,273 | 0.63 |
| 1964 | 2,500,756 | 0 | 0 | 15,700 | 0.63 |
| 1965 | 2,831,078 | 0 | 0 | 11,336 | 0.40 |
| 1966 | 3,362,961 | 0 | 0 | 10,000 | 0.30 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports

# CASE COUNTY DIGEST
# FRESNO, CALIFORNIA

## I. The County

a. General Description: Fresno is one of the larger counties in California and is located in the central part of the state about equal distance from San Francisco and Los Angeles. The City of Fresno is the county seat and there is a total of 15 municipalities and 85 school districts in the county. In addition, there are 158 special districts within Fresno County.[1] They are composed of the following: Cemetery (13), Community Services (8), Drainage (2), Fire Protection (8), Flood Control and Water Conservation (1), Hospital (3), Library (1), Highway Lighting (11), Maintenance (3), Memorial (2), Mosquito Abatement (4), Citrus Pest Control (2), Police Protection (2), Reclamation (5), Recreation and Park (2), Sanitary (1), County Sanitation (3), County Service Areas (15), Soil Conservation (7), Storm Water Drainage and Maintenance (1), County Water (5), Public Utility (3), California Water (21), Water Conservation (1), and County Waterworks (34).

While the major service function for each district is indicated by its title, all are reported to be dependent upon county government for permissive legislation including tax assessment and collection. Each of the districts provides the county with budget estimates and calculations identifying the tax levy required from applicable property to meet its budget needs. Many of these districts obtain state and Federal aid, which in California are generally coordinated through the appropriate branches of state government.

With the exception of the City of Fresno, all other incorporated communities are relatively small in size and range in populations from 1,000 to 10,000 people. Typically, these municipalities provide a full range of local governmental services except for tax assessment, which is accomplished by the county and for public utilities by state tax assessors. Municipalities do collect a variety of local taxes and levies. County government provides highways, health and welfare, hospital, veterans' affairs, agriculture, planning and resource development services to the entire county and all units of government therein. The county government also specifically provides police, public works, building inspection, recreation, local court and prisoner detention services for all of the unincorporated areas within the county.

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[1] As reported in Financial Transactions Concerning Special Districts of California, Fiscal Year, 1965-1966.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 365,945 | 1966 | 2 | 418,200 | 14.3 |
| Urban [1/] | 1960 | 1 | 246,281 | 1966 | 2 | 284,700 | 15.6 |
| Rural | 1960 | 1 | 119,664 | 1966 | 2 | 133,500 | 11.6 |
| Employment | 1959 | 3 | 61,369 | 1966 | 3 | 73,989 | 20.6 |
| Effective Buying Income ($000) | 1960 | 2 | 734,881 | 1966 | 2 | 964,109 | 31.2 |
| Per Capita EBI ($) | 1960 | 2 | 1,974 | 1966 | 2 | 2,305 | 16.8 |
| Public School Enrollment (K-12) | 1960 | 1 | 90,834 | 1965 | 4 | 107,200 | 18.0 |

Fresno's viable economy has been conducive to continuing growth in all categories. County population has been increasing at a rate varying from 2% to 5% per year. Though the rate of growth in the county's urban centers has been faster than in its rural areas, the latter have grown continually and the county is known to produce the largest dollar value of agricultural products of any U. S. county. The combination of rich alluvial soil and a temperate climate have facilitated a three-crop growing season per year, permitting intensive agricultural operations for about 300 days per year.

Employment in the county grew at a faster rate than population and total effective buying income during the period 1960-1966 is estimated to have increased by over 31%. Per capita EBI increased at a more moderate rate and in 1966 reached a

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1/ Includes areas of 2,500 people or more.

Sources:
1. U.S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U.S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U.S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

level of $2,305. Public school enrollment (K-12) increased at a rate of 18% from 1960 to 1965, also a growth rate exceeding that for the population as a whole.

c. The Land: The county comprises almost 3.8 million acres. It is estimated that about 40% of the total land area is in Federal ownership; however, lands subject to RS programs were reported to account for only 29% or a total of about 1.1 million acres.

Among the large Federal land holdings which are not subject to any current RS programs are the Lemore Naval Air Station with approximately 12,800 acres; the San Luis Unit, Delta Mendote Canal, Friant-Kern Canal and Friant Dam with approximately 12,300 acres; and the Kings County National Park with approximately 367,000 acres.

Despite the withdrawal of some large areas for national parks, a considerable number of leases have been granted to third parties, including leases for home sites and recreational facilities.

The lands subject to RS programs are composed of the following:

| | |
|---|---|
| Forest Service (FS) - Sierra and Sequoia National Forests | 978,420 acres |
| Bureau of Land Management (BLM) - Outside Grazing, TG-15 1/ | 111,150 acres |
| Corps of Engineers (C of E) - Civil Works | 16,396 acres |
| Total | 1,105,966 acres |

II. County Finance

a. Revenue: Table No. C-1 contains estimates of receipts by specified categories for the county and its many units of local government for the 10-year period. Contrary to the trend in many public land-intense counties, the share of property taxes

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1/ Acreage as listed in BLM Statistics, State Series California 1966. A previous estimate by BLM in its payment vouchers shows an area of 98,345 acres.

in total receipts increased from 35% in 1957 to 38% in 1966. Collections from real property increased at a rate of 103%, as compared with the increase from personal property of 57% and from all other taxes and revenue of 74%.

The county's total bonded indebtedness increased from 1956 to 1966 by about $44 million. The summary at the end of the case study digest shows 1966 outstanding bonded indebtedness at over $62.7 million. Of this amount $40.2 million are school bonds.

Table No. C-1a contains an estimate of total state tax collections in the county. They nearly doubled over the 10-year period though the per capita increase is only 58%, while the per capita increase for local property tax collections is 59%. Combined state taxes and local property tax collections increased by 58% per capita and, as a percent of EBI by 18%.

b. Expenditures: Table No. C-2 contains an estimate of the expenditures by all units of government within the county for the 10-year study period. It shows a rate of increase of 104%, somewhat larger than the rate of increase for total receipts. Though expenditures for education rose by 80% or about $35 million, their share of the total declined from 49% in 1957 to 43% in 1966. Expenditures for highways increased most sharply, 135%. Expenditures for all other services increased by 126%. It was estimated that during the last three years shown, debt service on bond issues averaged over $5 million per year.

c. Property Tax: Table No. C-3 contains an estimate of the assessed value of all properties subject to tax. It shows an increase of over 30% for the 10-year period. Residential properties increased by 73% and increased their share of the total from 20% to 27%. Over the 10-year period the average tax rate, which is based on an average assessed value equal to 20% of actual market value, increased from about 53 mills to over 80 mills.

Included in the assessed value are those applicable to numberous possessory interests located on Federal lands. Due to the very large number of leases upon the various types of lands and the many taxing jurisdictions which levy taxes upon these possessory interests, it was not possible to separate between those located exclusively on the RS-subject lands and those located on other Federal lands. The summary at the end of the case study digest shows an estimate of the total assessed value for these third party interests of $24.8 million and an estimated tax yield from these of over $2 million per year.

The largest single assessed item located on Federal lands is the Standard Oil refinery which is assessed at over $20 million.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: Table No. C-4 contains acreage and payment data for the three applicable RS programs for the 10-year period to the extent that the data are available. Though total payments were as high as $224,636 in 1960, they were an insignificant share of total county receipts in all years during the study period. The 1966 payment of $171,000 was substantially larger than that for the preceding year and about the same as that for 1964. The fluctuations from year to year are mostly a function of the RS payment obtained from national forest activities.

b. Indirect Benefits: Fresno County obtained allocations from the Bureau of Public Roads' Sliding Scale Highway Aid Program in each year of the 10-year period. These payments fluctuated widely and are shown in Table No. C-5. They averaged about $270,000 per year; however, the 1966 payment was only about $79,000.

c. Value of Free Goods and Services: The Forest Service provided the county with considerable acreage for various purposes including a school site, boating site, and rights-of-way. It also provided certain minerals. Table No. C-6 contains an estimate of the annual value of these free land uses and materials -- $18,400.

d. Federal Facilities and Services Having Joint Use: The FS has also made available the use of certain facilities constructed and maintained by it. Based on the construction cost of these facilities, their estimated useful life and operating cost and the percent of usage by the county, it was estimated that they provide an annual benefit to the county of $12,530.

e. Resource Expenditures - Management: All three agencies made resource program expenditures during each year of the 10-year period. Specific data for the years prior to 1960 are not available. For all other years a summary of the resource program expenditures for all three agencies is contained in Table No. C-7. It shows an average annual expenditure of $2.5 million, of which an estimated 28% were applicable to capital expenditures. Tables No. C-7a1, 2 and 3 contain detailed expenditure data for each agency by expenditure category.

A review of the management activities performed by the various agencies finds the C of E engaged exclusively in development and protection of the watershed with such associated activities as construction and maintenance of roads, improvement of adjacent grazing land, and the development and maintenance of recreational facilities. The latter resulted in the granting of leases from which RS payments accrue to the county. The FS has reported the provision of a full range of typical forest management services, some of which are also provided for adjacent non-Federal lands. These include watershed development and protection, maintenance of roads and streets, fire protection, aerial photography, and survey and protection of water supply sources from pollution. The BLM's management functions include the granting of mineral leases though no royalty revenues were reported.

## IV. Burdens to Local Government

a. Direct Burdens: County officials have identified the existence of heavy financial burdens from at least four different sources. The largest of theserelated to the maintenance of county highways upon Federal lands. Those expenditures are far in excess of $2 million per year; however, in line with the allocations estimate used in other case county studies, it appears that only about one-fourth of these expenditures should properly be applied as a direct burden attributable to the presence of public land. The remainder of these expenditures are incurred to provide the needed maintenace services for general public purposes. Exclusive of reimbursement for maintenance expenditures by the land managing agencies, the net burdens were estimated as follows:

|  |  |
|---|---|
| Highway Maintenance | $443,053 |
| Law Enforcement | 27,760 |
| Health and Hospital Services | 5,750 |
| Planning Services | 3,250 |
| Total Direct Burden | $479,813 |

The cost of fire protection involving Federal lands is absorbed by the state.

b. Indirect Burden: Land values in Fresno County are generally much higher than in most western public land-intense counties. Waterfront properties, for example, appear to have a minimum assessed value of $400 per acre, while range lands in other counties have assessed values of as low as $1 per acre. In Fresno County range lands are estimated to have a minimum assessed value of $5 per acre. Table No. C-8 contains an estimate of the assessable value of the RS-subject lands and an estimate of the potential tax which might be obtained if the lands were in private ownership. The total estimate of the assessed value is $87 million with a potential tax of $4.2 million, averaging $4.84/acre.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: Substantial K-V Fund collections were made by the FS in each of the years of the 10-year study period. These collections generally amounted to between 23% and 27% of gross receipts. The detailed expenditures for the 10-year period are contained in Table No. C-9. The resulting "loss" in revenue shared with the county amounted to 37% of the net payment in 1965 and 31% in 1966.

Additionally, the RS payments to the county have been lowered as a result of the FS's practice of reducing the value of the timber purchase contracts by the estimated cost of construction and reconstruction of harvest roads. If this reduction had not been made in 1966 -- it amounted to $247,057 -- the RS payment to the county would have been increased by $61,764.

d. Public Laws 815 and 874: The county obtained Federal aid payments under PL 874 in each of the years of the study period and under PL 815 for one of these years. The relevant figures are shown in Table No. C-10.

## V. Impact of Present System

a. County Finance: The present RS system has caused considerable financial burden to Fresno County. Not only has the direct financial burden for highway maintenance and other county services far exceeded the direct payments and in-kind benefits, the loss of property tax revenues from the applicable Federal lands has amounted to a considerable revenue loss for the county. The following figures provide a summary of the situation:

| | |
|---|---|
| RS Payments (C-4) | $171,027 |
| Sliding Scale Payments (C-5) | 79,135 |
| Free Goods and Services (C-6) | 18,453 |
| Joint Use Facilities (III.d) | 12,530 |
| Total Direct Benefits | $281,145 |

From these must be deducted the direct burdens attributable to the presence of public lands:

| | |
|---|---|
| Direct Burden (IV.a) | $479,813 |
| Resulting Net Burden | $198,668 |

The burden exists over and above the loss of potential tax revenue of $4.2 million or an average of $4.84/acre.

b. The Overview: Despite the large burden accruing to county finance, it appears that the impact of the presence of public lands in the county and the financial burdens are not of major concern to county officials. Revenue sharing is generally considered by these officials as an insignificant source of revenue and, as such, is almost completely disregarded in their budget planning. Conversely, the Federal land management policies and attitudes are of considerable concern. The county is growing along preconceived and planned patterns and the "shotgun pattern" of some of the Federal land ownership is thought to be hindering the future preplanned development. To overcome this difficulty, the County Board of Supervisors on September 19, 1967 resolved to recommend a classification procedure under which they have requested that public lands within certain townships be offered for sale or lease and that the remaining public lands in Fresno County be retained in the public domain for multiple use management including the grazing of livestock, the extraction of minerals, the raising of fish and wildlife for conservation and sport, and the production of timber and other commercial vegetative products. Otherwise, county officials are concerned with and attentive to the various problems and benefits resulting from the non-RS subject lands, primarily the large national parks and recreation areas within these public lands.

## FRESNO, CALIFORNIA

## SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| FS | Commercial, Utility Recreational, and Residential | $ 24,814,210 | $ 2,000,025[1] |
| BLM | Grazing | 0 | 0 |
| Total | | $ 24,814,210 | $ 2,000,025 |

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Source: Federal Agencies' Field Offices and County Tax Assessor.

[1] Includes possessory interest taxes on public lands excluded from the scope of this study and not subjected to PILT and RS payments.

## BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $ 73,112,000 | $ 40,267,000 |
| Sewage | 10,842,000 | 7,921,000 |
| Water | 9,308,000 | 7,063,000 |
| Hospital | 1,440,000 | 1,440,000 |
| Other | 15,328,000 | 6,064,000 |
| Total | $ 110,030,000 | $ 62,755,000 |

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Source: Fresno County Audit Reports.

TABLE NO. C-1

LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Fresno

STATE California

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $30,610,000 | $4,537,000 | $ 35,147,000 | $ 65,142,000 | $ 100,289,000 |
| 1958 | 32,646,000 | 4,685,000 | 37,331,000 | 77,664,000 | 114,995,000 |
| 1959 | 36,974,000 | 5,364,000 | 42,338,000 | 59,332,000 | 101,670,000 |
| 1960 | 38,903,000 | 5,426,000 | 44,329,000 | 64,758,000 | 109,087,000 |
| 1961 | 42,030,000 | 5,472,000 | 47,502,000 | 66,442,000 | 113,944,000 |
| 1962 | 45,204,000 | 5,880,000 | 51,084,000 | 80,521,000 | 131,605,000 |
| 1963 | 48,469,000 | 6,317,000 | 54,786,000 | 79,276,000 | 134,062,000 |
| 1964 | 52,928,000 | 6,857,000 | 59,785,000 | 102,754,000 | 162,539,000 |
| 1965 | 58,051,000 | 7,447,000 | 65,498,000 | 97,283,000 | 162,781,000 |
| 1966 | 62,277,000 | 7,128,000 | 69,405,000 | 113,326,000 | 182,731,000 |
| % incr./decr. '66 vs. 1st yr. | 103.5 | 57.1 | 97.5 | 74.0 | 82.2 |

Source: State Board of Equalization and Annual Report of Financial Transactions, State of California.

## TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Fresno

STATE California

C5-17

| YEAR | State Taxes ($000)<br>Sales & Gross Receipts (1) | Individual Income (2) | Other 1/ (3) | Total 1/ (4) | Total State Taxes<br>% of EBI (5) | Per Capita($) (6) | Local Property Taxes<br>% of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes<br>% of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 23,650 | 2,751 | 6,908 | 33,309 | 5.75 | 99.13 | 6.07 | 104.60 | 11.82 | 203.73 |
| 1958 | 24,693 | 2,857 | 7,140 | 34,690 | 5.81 | 101.49 | 6.25 | 109.22 | 12.06 | 210.71 |
| 1959 | 28,369 | 3,158 | 7,572 | 39,099 | 5.84 | 111.42 | 6.32 | 120.65 | 12.16 | 232.07 |
| 1960 | 31,519 | 4,684 | 8,135 | 44,338 | 6.03 | 119.09 | 6.03 | 119.07 | 12.06 | 238.16 |
| 1961 | 30,887 | 4,698 | 9,021 | 43,606 | 6.27 | 114.24 | 6.83 | 124.45 | 13.10 | 238.69 |
| 1962* | 32,066 | 5,133 | 9,182 | 46,381 | 6.43 | 118.29 | 7.08 | 130.28 | 13.51 | 248.57 |
| 1963 | 34,134 | 5,543 | 10,103 | 49,780 | 6.39 | 123.62 | 7.04 | 136.05 | 13.43 | 259.67 |
| 1964 | 37,040 | 6,738 | 11,030 | 54,808 | 6.54 | 132.80 | 7.13 | 144.86 | 13.67 | 277.66 |
| 1965 | 40,922 | 6,824 | 11,649 | 59,395 | 6.79 | 144.16 | 7.49 | 158.97 | 14.28 | 303.13 |
| 1966 | 45,037 | 7,799 | 12,519 | 65,355 | 6.78 | 156.28 | 7.20 | 165.96 | 13.98 | 322.24 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7)
Col. (10) = Col. (6) + Col. (8)

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Fresno

STATE California

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 43,743,614 | $ 4,983,424 | $ 41,123,307 | $ 89,850,345 | $ 267 |
| 1958 | 50,590,780 | 6,308,073 | 49,319,839 | 106,218,692 | 311 |
| 1959 | 56,031,192 | 6,114,339 | 50,304,721 | 112,450,252 | 320 |
| 1960 | 54,852,748 | 7,199,370 | 47,817,106 | 109,869,224 | 295 |
| 1961 | 54,027,198 | 8,205,614 | 57,459,401 | 119,692,213 | 314 |
| 1962 | 65,234,030 | 8,864,636 | 55,565,612 | 129,664,278 | 331 |
| 1963 | 71,770,935 | 7,534,823 | 67,059,567 | 146,365,325 | 363 |
| 1964 | 65,599,275 | 10,301,329 | 77,479,547 | 153,380,151 | 372 |
| 1965 | 70,491,458 | 8,635,871 | 88,248,180 | 167,375,509 | 406 |
| 1966 | 78,812,147 | 11,725,293 | 92,815,571 | 183,353,011 | 438 |
| % incr./decr.'66 vs. first year | 80.2 | 135.3 | 125.7 | 104.1 | 64.0 |
| % incr./decr.'66 vs. first year per capita | 44.6 | 86.7 | 82.0 | 64.0 | |

Source: Annual Report of Financial Transactions, State of California
Col. (5): Col. (4) divided by population estimates, Sales Management.

County Fresno

State California

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential | (2) Commercial, Industrial2/ | (3) Public Utility | (4) Rural | (5) Mineral, Timber, Other Nat. Res.2/ | (6) Personal | (7) Other2/ | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $135,528,470 | $ | $115,910,370 | $324,514,980 | $ | $ 85,281,950 | $ | $661,235,770 |
| Aver. Tax Rate 53.2 mills | | | | | | | | |
| Item % of Total | 20.5 | | 17.5 | 49.1 | | 12.9 | | 100.0 |
| 1958 Assessed Value | 144,139,400 | | 122,127,260 | 330,657,520 | | 85,648,990 | | 682,573,170 |
| Aver. Tax Rate 54.7 mills | | | | | | | | |
| 1959 Assessed Value | 150,980,530 | | 138,024,910 | 346,077,120 | | 92,006,860 | | 727,089,420 |
| Aver. Tax Rate 58.3 mills | | | | | | | | |
| 1960 Assessed Value | 160,346,350 | | 148,981,610 | 349,462,350 | | 91,810,490 | | 750,600,800 |
| Aver. Tax Rate 59.1 mills | | | | | | | | |
| 1961 Assessed Value | 170,108,610 | | 151,423,300 | 366,564,390 | | 89,558,100 | | 777,654,400 |
| Aver. Tax Rate 61.1 mills | | | | | | | | |
| 1962 Assessed Value | 182,288,690 | | 154,032,180 | 365,447,280 | | 91,162,790 | | 792,930,940 |
| Aver. Tax Rate 64.5 mills | | | | | | | | |
| 1963 Assessed Value | 195,714,930 | | 154,368,520 | 370,473,360 | | 93,863,300 | | 814,420,110 |
| Aver. Tax Rate 67.3 mills | | | | | | | | |
| 1964 Assessed Value | 211,406,410 | | 153,660,190 | 370,939,740 | | 95,236,110 | | 831,242,450 |
| Aver. Tax Rate 72.0 mills | | | | | | | | |
| 1965 Assessed Value | 225,173,640 | | 152,611,160 | 389,590,120 | | 98,375,170 | | 865,750,090 |
| Aver. Tax Rate 75.7 mills | | | | | | | | |
| 1966 Assessed Value1/ | 235,113,020 | | 148,056,040 | 390,107,440 | | 88,436,720 | | 861,713,220 |
| Aver. Tax Rate 80.6 mills | | | | | | | | |
| Item % of Total | 20.5 | | 17.2 | 45.3 | | 10.2 | | 100.0 |
| Increase/Decrease '66 vs. '57 | 73.5 | | 27.7 | 20.2 | | 3.7 | | 30.3 |

1/Assessed value represents 20 percent of actual market value in 1966.
2/Included in other items.
Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

C5-14

# PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-4
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = CALIFORNIA | | | | | | | | | | |
| COUNTY = FRESNO | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 177699 | 102765 | 129174 | 223889 | 79819 | 94637 | 135201 | 167155 | 139032 | 164852 |
| PERCENT BASE YEAR | 100.0 | 57.8 | 72.7 | 126.0 | 44.9 | 53.3 | 76.1 | 94.1 | 78.2 | 92.8 |
| PROGRAM ACREAGE | 981044 | 981044 | 983996 | 983836 | 983793 | 983793 | 983781 | 983779 | 983779 | 978420 |
| REVENUE $ PER ACRE | 0.18 | 0.10 | 0.13 | 0.23 | 0.08 | 0.10 | 0.14 | 0.17 | 0.14 | 0.17 |
| TAYLOR GRAZE SECT 15* | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 2987 | 2147 | 2066 | 3708 | 4315 | 4262 | 4389 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 71.9 | 69.2 | 124.1 | 144.5 | 142.7 | 146.9 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 177699 | 102765 | 129174 | 226876 | 81966 | 96703 | 138909 | 171470 | 143294 | 169241 |
| PERCENT BASE YEAR | 100.0 | 57.8 | 72.7 | 127.7 | 46.1 | 54.4 | 78.2 | 96.5 | 80.6 | 95.2 |
| PROGRAM ACREAGE | 981044 | 981044 | 983996 | 983836 | 983793 | 983793 | 983781 | 983779 | 983779 | 978420 |
| REVENUE $ PER ACRE | 0.18 | 0.10 | 0.13 | 0.23 | 0.08 | 0.10 | 0.14 | 0.17 | 0.15 | 0.17 |

NA = data not available.

*Total land available under program in 1966 was 111,150 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-4A
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE - CALIFORNIA | | | | | | | | | | |
| COUNTY - FRESNO | | | | | | | | | | |
| FLOOD CONTROL PROGRAM * | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 1218 | 1313 | 671 | 746 | 1091 | 1115 | 1339 | 1557 | 1720 | 1784 |
| PERCENT BASE YEAR | 100.0 | 107.8 | 55.1 | 61.2 | 89.6 | 91.5 | 109.9 | 127.8 | 141.2 | 146.5 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 178917 | 175678 | 129865 | 227622 | 83057 | 97818 | 140248 | 173027 | 145014 | 171025 |
| PERCENT BASE YEAR | 100.0 | 98.2 | 72.6 | 127.2 | 46.4 | 54.7 | 78.4 | 96.7 | 81.0 | 95.6 |
| PROGRAM ACREAGE | 981044 | 981044 | 983996 | 983836 | 983793 | 983793 | 983781 | 983779 | 983779 | 978420 |
| REVENUE $ PER ACRE | 0.18 | 0.11 | 0.13 | 0.23 | 0.08 | 0.10 | 0.14 | 0.18 | 0.15 | 0.18 |

C5-16

*Total land available under program in 1966 was 16,396 acres

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4A
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE - CALIFORNIA<br>COUNTY - FRESNO | | | | | | | | | | |
| FLOOD CONTROL PROGRAM * | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 1218 | 1313 | 671 | 746 | 1091 | 1115 | 1339 | 1557 | 1720 | 1784 |
| PERCENT BASE YEAR | 100.0 | 107.8 | 55.1 | 61.2 | 89.6 | 91.5 | 109.9 | 127.8 | 141.2 | 146.5 |
| TOTAL ALL SECTION 10 &<br>NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 178917 | 104078 | 129845 | 227622 | 83057 | 97818 | 140248 | 173027 | 145016 | 171023 |
| PERCENT BASE YEAR | 100.0 | 58.2 | 72.6 | 127.2 | 46.4 | 54.7 | 78.4 | 96.7 | 81.0 | 95.6 |
| PROGRAM ACREAGE | 981044 | 981044 | 983996 | 983836 | 983793 | 983793 | 983785 | 983779 | 983779 | 978420 |
| REVENUE $ PER ACRE | 0.18 | 0.11 | 0.13 | 0.23 | 0.08 | 0.10 | 0.14 | 0.18 | 0.15 | 0.18 |

*Total land available under program in 1966 was 16,196 acres

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.068 is shown as $0.06. Revenues per acre for all programs combined are affected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

2

# TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Fresno

STATE California

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 548,830 | $ 76,436 |
| 1958 | 618,400 | 86,122 |
| 1959 | 2,576,731 | 364,963 |
| 1960 | 380,714 | 52,569 |
| 1961 | 1,151,151 | 189,615 |
| 1962 | 4,182,709 | 669,009 |
| 1963 | 3,232,754 | 521,622 |
| 1964 | 4,769,910 | 285,654 |
| 1965 | 5,933,594 | 376,044 |
| 1966 | 807,010 | 79,135 |

Source: U.S. Bureau of Public Roads, allocation by EBSMC

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Fresno

STATE: California

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Land | $ 18,403 |
| | Mineral Materials | 50 |
| BLM | None | 0 |
| C of E | None | 0 |
| | Total | $18,453 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

County Fresno

State California

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA |
| 1959 | NA | NA | NA |
| 1960 | 1,381,210 | 393,060 | 1,774,270 |
| 1961 | 1,217,884 | 527,386 | 1,745,270 |
| 1962 | 3,176,333 | 577,897 | 3,754,230 |
| 1963 | 1,741,382 | 833,708 | 2,575,090 |
| 1964 | 1,550,188 | 793,832 | 2,344,020 |
| 1965 | 1,630,537 | 876,133 | 2,506,670 |
| 1966 | 1,800,871 | 861,579 | 2,662,450 |
| Average Year | 1,785,486 | 694,800 | 2,480,286 |
| Item % of Total, Average Year | 72.0 | 28.0 | 100.0 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices

Federal Agency US Forest Service

Program Sierra & Sequoia National Forests

County Fresno

State California

TABLE NO. C-7a

Page 1 of 3

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 233,860 | $ 7,810 | $ 640 | $ 427,240 | $ 81,730 | $ 42,900 | $ 43,120 | $ 770 | $ 374,550 | $1,212,640 |
| 1958 | 254,870 | 15,180 | 770 | 506,110 | 23,650 | 38,940 | 128,480 | 880 | 352,640 | 1,321,540 |
| 1959 | 346,830 | 24,750 | 2,200 | 278,630 | 34,320 | 45,100 | 139,590 | 6,930 | 345,620 | 1,223,970 |
| 1960 | 786,630 | 20,350 | 3,520 | 286,770 | 53,790 | 30,690 | 114,290 | 5,280 | 438,350 | 1,737,670 |
| 1961 | 598,180 | 37,730 | 10,120 | 219,120 | 90,090 | 22,640 | 187,110 | 4,400 | 472,560 | 1,641,970 |
| 1962 | 2,337,280 | 38,170 | 22,770 | 229,240 | 95,810 | 0 | 276,650 | 13,420 | 637,890 | 3,651,230 |
| 1963 | 728,310 | 45,320 | 32,890 | 412,720 | 116,050 | 0 | 373,340 | 9,570 | 614,790 | 2,332,990 |
| 1964 | 413,050 | 53,240 | 40,700 | 627,330 | 168,190 | 0 | 278,520 | 14,190 | 684,200 | 2,279,420 |
| 1965 | 534,030 | 52,690 | 28,380 | 720,940 | 172,370 | 0 | 254,210 | 15,290 | 589,160 | 2,369,070 |
| 1966 | 524,040 | 52,470 | 51,370 | 870,870 | 197,890 | 12,430 | 268,950 | 20,900 | 553,630 | 2,552,530 |

Source: Federal Agencies' Field Offices

Federal Agency Interior - BLM

Program All

County Fresno

State California

TABLE NO. C-7a

FEDERAL RESOURCE PROGRAM EXPENDITURES

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ 1,000 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ 4,000 | $ 5,000 |
| 1958 | NA | 1,002 | NA | NA | NA | NA | NA | NA | 4,998 | 6,000 |
| 1959 | NA | 1,400 | NA | NA | NA | NA | NA | NA | 5,600 | 7,000 |
| 1960 | NA | 2,250 | NA | NA | NA | NA | NA | NA | 6,750 | 9,000 |
| 1961 | NA | 1,800 | NA | NA | NA | NA | NA | NA | 7,200 | 9,000 |
| 1962 | NA | 1,716 | NA | NA | NA | NA | NA | NA | 10,284 | 12,000 |
| 1963 | NA | 2,002 | NA | NA | NA | NA | NA | NA | 11,998 | 14,000 |
| 1964 | NA | 2,288 | NA | NA | NA | NA | NA | NA | 13,712 | 16,000 |
| 1965 | NA | 1,232 | NA | NA | NA | NA | 4,928 | NA | 9,840 | 16,000 |
| 1966 | NA | 1,279 | NA | NA | NA | NA | 6,426 | NA | 10,295 | 18,000 |

Source: Federal Agencies' Field Offices

Federal Agency Corps of Engineers

Program Pine Flat Reservoir/Engelbright Reservoir

County Fresno

State California

## TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 0 | $ NA | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ NA |
| 1958 | 0 | 0 | NA | 0 | 0 | 0 | 0 | 0 | 0 | NA |
| 1959 | 0 | 0 | NA | 0 | 0 | 0 | 0 | 0 | 0 | NA |
| 1960 | 0 | 0 | 27,600 | 0 | 0 | 0 | 0 | 0 | 0 | 27,600 |
| 1961 | 0 | 0 | 94,300 | 0 | 0 | 0 | 0 | 0 | 0 | 94,300 |
| 1962 | 0 | 0 | 91,000 | 0 | 0 | 0 | 0 | 0 | 0 | 91,000 |
| 1963 | 0 | 0 | 228,100 | 0 | 0 | 0 | 0 | 0 | 0 | 228,100 |
| 1964 | 0 | 0 | 48,600 | 0 | 0 | 0 | 0 | 0 | 0 | 48,600 |
| 1965 | 0 | 0 | 121,600 | 0 | 0 | 0 | 0 | 0 | 0 | 121,600 |
| 1966 | 0 | 0 | 91,900 | 0 | 0 | 0 | 0 | 0 | 0 | 91,900 |

Source: Federal Agencies' Field Offices

TABLE NO. C-8

ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Fresno

STATE California

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | | | | | | |
| Crest | $ 25.00 | 143,550 | $ 3,588,750 | 47.6 | $ 170,853 | 119¢ |
| Wilderness | 25.00 | 263,000 | 6,575,000 | 47.2 | 310,776 | 118 |
| Intermediate | 125.00 | 284,457 | 35,557,125 | 48.0 | 1,708,200 | 600 |
| Roadside | 250.00 | 27,940 | 6,985,000 | 49.2 | 344,263 | 1,230 |
| Waterfront | 400.00 | 56,280 | 22,512,000 | 48.9 | 1,102,165 | 1,956 |
| Streamside | 125.00 | 43,080 | 5,385,000 | 47.5 | 255,971 | 593 |
| Valley Front | 20.00 | 160,113 | 3,202,260 | 50.4 | 161,660 | 104 |
| BLM | | | | | | |
| Woodland | 30.00 | 26,000 | 720,000 | 50.0 | 36,000 | 150 |
| Rangeland | 5.00 | 87,150 | 435,750 | 50.0 | 21,788 | 25 |
| C of E | | | | | | |
| Harbor & Reservoir | 125.00 | 16,396 | 2,049,511 | 50.0 | 102,476 | 625 |
| Totals | $ 78.70 | 1,105,966 | $ 87,010,396 | 48.4 | $ 4,214,150 | 484¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency US Forest Service

Revenue Sharing Program Sierra & Sequoia National Forests (25%,a/

County Fresno

State California

TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 x a/) |
|---|---|---|---|---|---|
| 1957 | $ 968,495 | $ 257,695 | $ 710,800 | $ 177,700 | $ 64,424 |
| 1958 | 551,840 | 140,776 | 411,064 | 102,766 | 35,194 |
| 1959 | 692,816 | 176,116 | 516,700 | 129,175 | 44,029 |
| 1960 | 1,220,923 | 325,363 | 895,560 | 223,890 | 81,341 |
| 1961 | 423,216 | 103,936 | 319,280 | 79,820 | 25,984 |
| 1962 | 506,613 | 128,061 | 378,552 | 94,638 | 32,015 |
| 1963 | 726,419 | 185,611 | 540,808 | 135,202 | 46,403 |
| 1964 | 908,029 | 239,405 | 668,624 | 167,156 | 59,851 |
| 1965 | 761,463 | 205,331 | 556,132 | 139,033 | 51,333 |
| 1966 | 863,066 | 203,656 | 659,412 | 164,853 | 50,914 |

Source: Federal Agencies' Field Offices

County Fresno

State California

## TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACIED AREAS

| Years | Total School Budget | P.L. 815<br>Aid Provided | P.L. 815<br>% of Total Budget | P.L. 874<br>Aid Provided | P.L. 874<br>% of Total Budget |
|---|---|---|---|---|---|
| 1957 | $ 43,743,614 | $ 0 | 0 | $ 2,727 | .006 |
| 1958 | 50,590,780 | 0 | 0 | 1,603 | .003 |
| 1959 | 56,031,192 | 0 | 0 | 1,888 | .003 |
| 1960 | 54,852,748 | 0 | 0 | 2,044 | .004 |
| 1961 | 54,027,198 | 0 | 0 | 2,120 | .004 |
| 1962 | 65,234,030 | 0 | 0 | 6,533 | .010 |
| 1963 | 71,770,935 | 0 | 0 | 8,013 | .011 |
| 1964 | 65,599,275 | 0 | 0 | 10,975 | .016 |
| 1965 | 70,491,458 | 43,035 | .06 | 14,688 | .021 |
| 1966 | 78,812,147 | 0 | 0 | 44,778 | .057 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and
County Audit Reports

# CASE COUNTY DIGEST
# NEVADA, CALIFORNIA

## I. The County

a. General Description: Nevada, one of the smallest counties in California, is located in the northeast corner of the state bordering Nevada, and is approximately 170 miles south of the Oregon border. The county seat is Nevada City. There are two municipalities, 13 school districts and 22 special districts in the county. The latter are composed of: cemeteries (2), fire protection (8), hospital (1), recreation and park (1), road maintenance (1), sanitary (1), county sanitation (1), soil conservation (1), public utility (2), county water (3), water authority (1).

In addition to these special districts, the Nevada Irrigation District is located within this county. This is a quasi public authority operating independently of all units of local government and serving large areas outside the county. It is not recognized by state government as a "special district" and its financial transactions are not included in any county or state records. It is mentioned here for informational purposes only; otherwise it has been excluded from this case study.

The two municipalities provide a fairly complete range of governmental services which include administration, financial control, general court, street maintenance, welfare services, law enforcement and public safety, fire protection and local planning. The county provides a full range of public services for all of the non-incorporated areas and tax assessment collection for all units of government including the special districts. The latter typically furnish the county revenue budgets and tax assessments which are incorporated with county and municipal assessment. Public utilities are assessed by the state; the appropriate taxes are collected by the county and rebated to the state.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 20,911 | 1966 | 2 | 25,500 | 21.9 |
| Urban[1] | 1960 | 1 | 4,872 | 1966 | 2 | 4,500 | -7.6 |
| Rural | 1960 | 1 | 16,039 | 1966 | 2 | 21,000 | 30.9 |
| Employment | 1959 | 3 | 2,314 | 1966 | 3 | 3,085 | 33.3 |
| Effective Buying Income ($000) | 1960 | 2 | 42,193 | 1966 | 2 | 63,218 | 49.8 |
| Per Capita EBI ($) | 1960 | 2 | 2,019 | 1966 | 2 | 2,479 | 22.8 |
| Public School Enrollment (K-12) | 1960 | 1 | 4,584 | 1965 | 4 | 3,900 | -14.9 |

As the foregoing figures indicate, the county enjoyed a substantial population growth during the 1960-1966 period, all of which occurred in its rural areas. The growth in employment exceeded the population growth although the employment figure reported as of 1966 was low relative to total population. Total effective buying income rose sharply during the 1960-1966 period and per capita EBI reached a reported level which exceeds the average for predominately rural counties. Public school enrollment (K-12) declined despite the population increase. This decline is explained by the fact that a large share of the population increase in the county are persons of the older age group who have chosen Nevada County as their retirement home.

c. The Land: The county has a total land area of 624,000 acres. Slightly over 25% is in Federal ownership and almost all the Federal land is subject to RS programs. The exceptions are some acreages under the control of various Federal agencies which amount to less than one-half of 1% of the total county land area. The RS-subject lands are composed of the following:

| | |
|---|---|
| Forest Service (FS) | |
| Tahoe and Toiyabe National Forests | 140,781 acres |
| Bureau of Land Management | |
| Outside Grazing, TC-15 | 15,334 acres[2] |
| Corps of Engineers ( C of E) | |
| Civil Works | 894 acres |
| Total | 157,009 acres |

---

[1] Includes areas of 2,500 people or more.

[2] Acreage reported in BLM Statistics, State Series, California 1966. The acreage estimated by BLM on RS payment vouchers is shown as 19,544 acres.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U. S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U. S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

It is reported that over 90% of the county's land area is forested, including cutover land, with the bulk of the privately owned forest lands being held by the Southern Pacific Railroad and originating from the land grants made in connection with the construction of the Trans Continental Railroad about 1860. Some of these lands have been sold to large timber converters.

## II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the period 1957-1966. During this period total receipts rose sharply, about $8.5 million, a rate of increase of over 179%. While collections from property taxes increased by about $2.1 million, collections from other taxes and revenues including bonded debt rose very sharply and accounted for $6.5 million of the total increase.

Reported proceeds from bond issues in 1966 amounted to $3 million, and for the period 1956-1966 indebtedness by all units of government rose $6.8 million. The summary appended to the end of the case study digest contains figures for the 1966 outstanding bonded indebtedness by bond category. (The irrigation district mentioned earlier had an outstanding indebtedness in 1966 of $61.5 million.)

Table No. C-1a shows that state taxes increased at a rate of about 33% over the 10-year period, while local property taxes increased by 50%. Combined state and local property taxes increased by about 40% per capita but decreased almost 2% as a percent of EBI.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the 10-year study period. Expenditures for education, despite the reported decline in public school enrollment (K-12), rose 183% while those for highways rose 71%. On a per capita basis the increase over the 10-year period was 87% and the figure for per capita expenditures in 1966 of $464 is substantially above the 1957-1966 average.

c. Property Taxes: Table No. C-3 contains detailed data for the assessed value of property subject to taxes for the period 1957-1966. Total assessed value increased about $23 million, an increase of 64%. Reflecting the growth in the county's rural population is the share increase in the assessed value of rural properties which almost doubled and accounted for almost half of the total assessed value in the county. Personal and residential properties also increased substantially while the assessed value of public utilities increased slightly. The county's weighted average tax rate rose sharply over the 10-year period from 49 mills to about 65 mills on assessed values which averaged 21% of actual market value.

Included in the assessed values shown are those pertaining to third party interests on Federal lands. The county is assessing and taxing all third party properties on Federal lands with the exception of leases for grazing purposes. The summary enclosed at the end of the case study digest contains details of these properties and shows an estimated assessed value of about $165,000, yielding annual tax revenues of about $10,700.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: With the exception of the National Forest Fund Payments, the payments under PILT and RS have not provided any appreciable payments to the county and have declined during the last few years. Little RS is realized from outside grazing under TG, Section 15 and the leases on Corps of Engineers managed lands abutting a dam and reservoir. Conversely, revenue from activities in the national forests has grown consistently since 1962 and in 1966 reached an all-time high of over $88,000. Table No. C-4 contains acreage and payment figures for the three RS programs for the 10-year period to the extent that the data are available. In the aggregate, total RS payments to the county were relatively insignificant and accounted for less than 1% of total county revenues.

b. Indirect benefits: The county obtained allocations under the BPR Sliding Scale Highway Aid Program in nine years of the 10-year study period. Pertinent figures are contained in Table No. C-5. They show a wide fluctuation in payments from year to year and for the most recent year, 1966, the reported payment of $26,500 attributable to the presence of public lands is one of the smaller amounts during the 10-year period.

c. Value of Free Goods and Services: The county has obtained the free use of certain tracts of land as rights-of-way, parks and for special uses such as a storage yard and a borrow pit. Table No. C-6 contains an estimate of the annual value of these free uses of $6,720.

d. Federal Facilities and Services Having Joint Use: The Forest Service has reported providing the county with considerable benefits through the joint use of Federally constructed and maintained facilities. Based on construction cost, useful life, annual operating costs and the percentage of use by the county, it is estimated that the annual benefit from the use of the specified facilities is as follows:

| | | |
|---|---|---|
| Forest Service | - Coma Rica Retardant Plant | $3,450 |
| | - Fire Lookouts | 1,000 |
| | - Roads | 53,450 |
| | - Bridges | 6,000 |
| | - Snow Survey Courses | 450 |
| | - Total | $64,350 |

e. Resource Expenditures - Management: All three land managing agencies in the county report resource program expenditures in each of the years during the 10-year study period. However, for the years 1957, 1958 and 1959 complete data were not available from all agencies and, therefore, the summary of resource program expenditures for the three agencies contained in Table No. C-7 excludes these three years. Expenditures increased gradually since 1962 and averaged $783,000 per year, of which 18% was reported to be applicable to capital expenditures.

Tables No. C-7a1, 2 and 3 contain expenditure details by expenditure category for each of the agencies, and for FS and BLM they cover the entire 10-year period.

The large increase in expenditures in 1961 pertains to the Forest Service's expenditures for fire protection in that year which amounted to $1.1 million.

FS and BLM reportedly provide a full range of land management functions while the Corps of Engineers is engaged primarily in the development and protection of the watershed and, in an auxiliary manner, in the development of recreation facilities and improvement of the grazing lands.

## IV. Burdens to Local Government

a. Direct Burden: Just as the county was reported to derive a considerable benefit from the use of Forest Service constructed and maintained lands, it incurs a substantial burden for the maintenance of roads in the forest area. Based on the records of the County Engineer's Department, it is estimated that the financial burden for road maintenance amounted to $45,500.

b. Indirect Burden: Practically all of the Federal lands, some being of residential and commercial quality, have relatively high surface values. Their immunity to taxation by the local government results in the loss of considerable tax revenues. Table No. C-8 contains an estimate of the assessable value of these Federally owned lands and an estimate of the potential tax revenue which might be collected if the lands were in private ownership. It shows a total tax estimate of $112,300 averaging 72¢/acre.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: The Forest Service made K-V Fund collections in each year of the 10-year study period. These collections ranged from about 5% to 10% of gross receipts. Table No. C-9 contains the detailed figures for the 10-year period. It shows that the resulting revenue share "lost" in 1965, for example, amounted to 11% of the net payment to the county and in 1966 to about 8% of the net payment.

Additionally, the RS payments to the county were reduced as a result of the Forest Service's practice of reducing the value of the timber purchase contracts by the estimated cost of construction and reconstruction of harvest roads. If this reduction had not been made in 1966 -- it amounted to $14,220 -- the RS payment to the county would have been increased by $3,555.

d. Public Laws 815 and 874: The county obtained Federal aid payments under PL 874 in seven years of the 10-year study period. The pertinent figures are contained in Table No. C-10.

## V. Impact of Present System

a. County Finance: The county derives a net benefit from the present RS programs including indirect and in kind benefits. These benefits are estimated to exceed the potential tax revenue which might be obtained if the lands were in private ownership. The following 1966 figures provide a summary:

| | |
|---|---|
| RS (C-4) | $ 88,484 |
| Sliding Scale Payments (C-5) | 26,073 |
| Free Goods and Services (C-6) | 6,720 |
| Joint Use Facilities (III.d.) | 64,350 |
| Total Direct Benefits | $185,627 |

From these must be deducted the direct burdens attributable to the presence of public lands:

| | |
|---|---|
| Direct Burden (IV.a.) | $ 45,500 |
| Resulting Net Direct Benefit | $140,127 = 89¢/acre |

The net benefit conpares favorably with the estimated tax yield of the Federal land if it were in private ownership, 72¢/acre.

b. The Overview: The only apparently serious problem in Nevada County relating to management of the public lands is that resulting from the "checkerboard" pattern of some of the national forest lands. Though county officials were unable to identify specifically where and how this pattern of ownership had hindered the county's development, it is evident that this matter has been a concern for a considerable period of time and had been the subject of repeated correspondence between the Forest Supervisor and various officials and interested parties. Otherwise, county officials seem to be well pleased with the RS payments and in kind benefits obtained in 1966, expressed the hope that the Forest Service policies would facilitate even greater utilization of the timber resources and thereby increase RS payments to the county, and expressed an awareness of the fact that in the aggregate the present system provides greater direct and indirect benefits than could be hoped for if the Federal lands, specifically the national forests, were in private ownership and management.

## NEVADA, CALIFORNIA

### SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Valuation | Total Tax Revenue |
|---|---|---|---|
| Forest Service | Commercial, Right-of-way, Mineral, Residential | $143,560 | $ 9,274 |
| C of E | Commercial | 21,320 | 1,377 |
| BLM | Grazing | 0 | 0 |
|  | Total | $164,880 | $10,651 |

Source: Federal Agencies' Field Offices and County Tax Assessor.

### BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $6,153,000 | $4,660,500 |
| Water & Sewage | 1,153,000 | 857,000 |
| Hospital | 1,945,000 | 1,805,000 |
| Total | $9,251,000 | $7,322,000 |

Source: Nevada County Audit Reports

## TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Nevada

STATE California

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 1,446,000 | $ 332,000 | $ 1,778,000 | $ 2,999,795 | $ 4,777,795 |
| 1958 | 1,449,000 | 395,000 | 1,844,000 | 3,175,974 | 5,019,974 |
| 1959 | 1,509,000 | 410,000 | 1,919,000 | 3,556,516 | 5,475,516 |
| 1960 | 1,691,000 | 492,000 | 2,183,000 | 5,514,124 | 7,697,124 |
| 1961 | 1,830,000 | 524,000 | 2,354,000 | 3,784,154 | 6,138,154 |
| 1962 | 2,086,000 | 594,000 | 2,680,000 | 4,101,436 | 6,781,436 |
| 1963 | 2,241,000 | 634,000 | 2,875,000 | 4,533,072 | 7,408,072 |
| 1964 | 2,567,000 | 693,000 | 3,260,000 | 4,973,696 | 8,233,696 |
| 1965 | 2,762,000 | 708,000 | 3,470,000 | 6,434,998 | 9,904,998 |
| 1966 | 3,083,000 | 768,000 | 3,851,000 | 9,490,904 | 13,341,904 |
| % incr./decr. '66 vs. 1st yr. | 113.2 | 131.3 | 116.6 | 216.4 | 179.2 |

Source: State Board of Equalization and Annual Report of Financial Transactions, State of California.

Cb-9

TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME
1957 - 1966

COUNTY Nevada

STATE California

C6-10

| YEAR | State Taxes ($000) Sales & Gross Receipts (1) | Individual Income (2) | Other (3) | Total (4) | Total State Taxes % of EBI (5) | Per Capita($) (6) | Local Property Taxes % of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes % of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 1,473 | 145 | 364 | 1,982 | 6.47 | 111.98 | 5.81 | 100.45 | 12.28 | 212.43 |
| 1958 | 1,609 | 144 | 357 | 2,110 | 7.01 | 123.39 | 6.13 | 107.84 | 13.14 | 231.23 |
| 1959 | 1,432 | 151 | 354 | 1,937 | 6.06 | 118.11 | 6.01 | 117.01 | 12.07 | 235.12 |
| 1960 | 1,715 | 269 | 457 | 2,441 | 5.78 | 116.79 | 5.17 | 104.45 | 10.95 | 221.24 |
| 1961 | 1,705 | 283 | 498 | 2,486 | 5.95 | 117.82 | 5.63 | 111.56 | 11.58 | 229.38 |
| 1962 | 1,783 | 312 | 518 | 2,613 | 5.95 | 118.24 | 6.11 | 121.27 | 12.04 | 239.51 |
| 1963 | 1,980 | 333 | 557 | 2,870 | 6.14 | 129.28 | 6.15 | 129.50 | 12.29 | 258.78 |
| 1964 | 2,210 | 412 | 623 | 3,245 | 6.33 | 139.27 | 6.36 | 139.91 | 12.69 | 279.18 |
| 1965 | 2,300 | 542 | 713 | 3,465 | 5.98 | 137.50 | 5.99 | 137.70 | 11.97 | 275.20 |
| 1966 | 2,503 | 511 | 763 | 3,777 | 5.98 | 148.12 | 6.09 | 151.02 | 12.07 | 299.14 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7)
Col. (10) = Col. (6) + Col. (8)

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Nevada

STATE California

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $1,358,021 | $ 594,536 | $ 2,430,515 | $ 4,383,072 | $ 248 |
| 1958 | 1,631,782 | 771,843 | 2,585,715 | 4,989,340 | 292 |
| 1959 | 1,842,556 | 634,510 | 2,933,602 | 5,410,668 | 330 |
| 1960 | 2,180,655 | 867,018 | 3,129,040 | 6,176,713 | 377 |
| 1961 | 3,464,963 | 812,825 | 3,283,308 | 7,561,096 | 376 |
| 1962 | 3,047,809 | 825,015 | 3,247,122 | 7,119,946 | 337 |
| 1963 | 2,559,621 | 665,317 | 5,761,578 | 8,986,516 | 407 |
| 1964 | 2,787,441 | 685,160 | 4,288,978 | 7,761,579 | 350 |
| 1965 | 3,170,692 | 934,648 | 5,158,630 | 9,263,970 | 398 |
| 1966 | 3,842,477 | 1,018,159 | 6,820,303 | 11,680,939 | 464 |
| % incr./decr.'66 vs. first year | 182.9 | 71.3 | 180.6 | 166.5 | 87.1 |
| % incr./decr.'66 vs. first year per capita | 97.4 | 17.6 | 97.1 | 87.1 | |

C6-4

Source: State Board of Equalization and Annual Report of Financial Transactions, State of California.
Col. (5): Col. (4) divided by population estimates, Sales Management.

County Nevada

State California

TABLE NO. C-3

ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential | (2) Commercial Industrial 2/ | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. 2/ | (6) Personal | (7) Other 2/ | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $5,736,480 | $ | $8,682,400 | $15,120,980 | $ | $ 6,775,510 | $ | $36,315,370 |
| Aver. Tax Rate 49.0 mills | | | | | | | | |
| Item % of Total | 15.8 | | 23.9 | 41.6 | | 18.7 | | 100.0 |
| 1958 Assessed Value | 7,088,560 | | 8,560,260 | 14,724,750 | | 8,263,600 | | 38,637,170 |
| Aver. Tax Rate 47.8 mills | | | | | | | | |
| 1959 Assessed Value | 6,981,600 | | 9,148,140 | 15,067,690 | | 8,471,080 | | 39,668,510 |
| Aver. Tax Rate 48.4 mills | | | | | | | | |
| 1960 Assessed Value | 7,043,250 | | 9,156,760 | 15,852,190 | | 9,318,190 | | 41,370,390 |
| Aver. Tax Rate 52.8 mills | | | | | | | | |
| 1961 Assessed Value | 7,261,650 | | 9,387,430 | 16,847,300 | | 9,579,530 | | 43,075,910 |
| Aver. Tax Rate 54.7 mills | | | | | | | | |
| 1962 Assessed Value | 7,329,110 | | 10,872,770 | 18,508,030 | | 10,439,370 | | 47,149,280 |
| Aver. Tax Rate 56.9 mills | | | | | | | | |
| 1963 Assessed Value | 7,447,210 | | 9,943,530 | 20,129,080 | | 10,602,010 | | 48,121,830 |
| Aver. Tax Rate 59.8 mills | | | | | | | | |
| 1964 Assessed Value | 7,591,490 | | 9,960,600 | 22,081,340 | | 10,694,450 | | 50,327,880 |
| Aver. Tax Rate 64.8 mills | | | | | | | | |
| 1965 Assessed Value | 8,091,740 | | 9,894,330 | 26,923,540 | | 11,493,510 | | 56,403,120 |
| Aver. Tax Rate 61.6 mills | | | | | | | | |
| 1966 Assessed Value 1/ | 8,399,400 | | 9,581,030 | 29,800,140 | | 11,888,550 | | 59,663,120 |
| Aver. Tax Rate 64.6 mills | | | | | | | | |
| Item % of Total | 14.1 | | 16.1 | 49.9 | | 19.9 | | 100.0 |
| Increase/Decrease '66 vs. '57 | 46.4 | | 10.4 | 97.1 | | 75.5 | | 64.3 |

1/ Assessed value represents 21 percent of actual market value in 1966.

2/ Included in other items.

Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

# PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-4
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = CALIFORNIA<br>COUNTY = NEVADA | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 63678 | 41308 | 65535 | 59961 | 46097 | 35682 | 67194 | 59656 | 66776 | 88417 |
| PERCENT BASE YEAR | 100.0 | 64.7 | 102.6 | 93.9 | 72.2 | 55.9 | 105.2 | 93.4 | 104.5 | 138.4 |
| PROGRAM ACREAGE | 141963 | 141963 | 141966 | 141927 | 141927 | 141453 | 141105 | 140785 | 140781 | 140781 |
| REVENUE $ PER ACRE | 0.45 | 0.29 | 0.46 | 0.42 | 0.32 | 0.25 | 0.48 | 0.42 | 0.47 | 0.63 |
| TAYLOR GRAZE SECT 15* | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 48 | 8 | 36 | 33 | 91 | 0 | 16 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 16.7 | 75.0 | 68.7 | 189.6 | 0.0 | 33.3 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 63678 | 41308 | 65535 | 60009 | 46105 | 35718 | 67227 | 59747 | 66776 | 88433 |
| PERCENT BASE YEAR | 100.0 | 64.7 | 102.6 | 93.9 | 72.2 | 55.9 | 105.2 | 93.5 | 104.5 | 138.4 |
| PROGRAM ACREAGE | 141963 | 141963 | 141966 | 141927 | 141927 | 141453 | 141105 | 140785 | 140781 | 140781 |
| REVENUE $ PER ACRE | 0.45 | 0.29 | 0.46 | 0.42 | 0.32 | 0.25 | 0.48 | 0.42 | 0.47 | 0.63 |

NA = data not available.

*Total land available under program in 1966 was 15,334 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## PUBLIC LAND LAW REVIEW COMMISSION

### TABLE NO. C-4A
### FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = CALIFORNIA | | | | | | | | | | |
| COUNTY = NEVADA | | | | | | | | | | |
| FLOOD CONTROL PROGRAM * | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 0 | 0 | 75 | 187 | 342 | 397 | 467 | 818 | 746 | 49 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 100.0 | 249.3 | 456.0 | 529.3 | 622.7 | 1090.7 | 994.7 | 65.3 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 63878 | 41308 | 65610 | 60196 | 46447 | 36115 | 67694 | 60565 | 67522 | 88482 |
| PERCENT BASE YEAR | 100.0 | 64.7 | 102.7 | 94.2 | 72.7 | 56.5 | 106.0 | 94.8 | 105.7 | 138.5 |
| PROGRAM ACREAGE | 141963 | 141963 | 141966 | 141927 | 141927 | 141453 | 141105 | 140785 | 140781 | 140781 |
| REVENUE $ PER ACRE | 0.45 | 0.29 | 0.46 | 0.42 | 0.33 | 0.26 | 0.48 | 0.43 | 0.48 | 0.63 |

*Total land available under program in 1966 was 894 acres.

Revenues per acre in dollars have been truncated to the nearest cent; *i.e.*, $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

C6-14

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Nevada

STATE California

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 3,377,879 | $ 64,750 |
| 1958 | 17,360,951 | 411,085 |
| 1959 | 929,289 | 24,797 |
| 1960 | 30,862 | 4,261 |
| 1961 | 10,600,989 | 190,986 |
| 1962 | 10,349,717 | 196,139 |
| 1963 | 5,132,435 | 87,446 |
| 1964 | 256,792 | 23,231 |
| 1965 | 0 | 0 |
| 1966 | 269,604 | 26,470 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC

Cb-15

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Nevada

STATE: California

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Rights-of-way | $ 3,100 |
| | Timber & Brushland | 3,000 |
| | Special Land Use Permits | 620 |
| BLM | Rights-of-way | NA |
| C of E | None | 0 |
| | | $ 6,720 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

C 6-16

## TABLE NO. C-7

County Nevada

State California

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA |
| 1959 | NA | NA | NA |
| 1960 | 591,226 | 72,761 | 663,987 |
| 1961 | 1,326,214 | 85,127 | 1,411,341 |
| 1962 | 435,862 | 122,289 | 558,151 |
| 1963 | 455,610 | 193,678 | 649,288 |
| 1964 | 444,981 | 160,593 | 605,574 |
| 1965 | 537,164 | 170,538 | 707,702 |
| 1966 | 687,377 | 197,470 | 884,847 |
| Average Year | 639,776 | 143,208 | 782,984 |
| Item % of Total, Average Year | 81.7 | 18.3 | 100.0 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices

Federal Agency US Forest Service

Program Tahoe & Toiyabe National Forests

County Nevada

State California

TABLE NO. C-7a

Page 1 of 3

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 61,299 | $ 1,200 | 0 | $36,285 | $ 18,600 | $ 4,200 | $ 8,200 | $ 200 | 80,305 | 210,289 |
| 1958 | 66,910 | 3,200 | 7,000 | 50,688 | 2,200 | 6,000 | 20,400 | 0 | 98,922 | 255,320 |
| 1959 | 74,391 | 2,800 | 4,200 | 43,479 | 2,600 | 6,600 | 18,800 | 200 | 134,325 | 287,395 |
| 1960 | 438,778 | 2,800 | 400 | 81,092 | 17,200 | 6,400 | 16,200 | 200 | 90,538 | 653,608 |
| 1961 | 1,147,168 | 5,600 | 800 | 64,062 | 38,200 | 5,600 | 16,200 | 600 | 129,550 | 1,407,780 |
| 1962 | 220,530 | 4,400 | 1,600 | 60,118 | 63,200 | 3,600 | 27,400 | 1,800 | 170,942 | 553,590 |
| 1963 | 142,185 | 10,200 | 4,200 | 121,733 | 99,000 | 7,400 | 73,400 | 1,800 | 183,809 | 643,727 |
| 1964 | 128,764 | 6,800 | 18,200 | 121,384 | 85,658 | 9,400 | 52,400 | 1,600 | 172,164 | 596,370 |
| 1965 | 154,015 | 6,800 | 23,000 | 184,360 | 67,600 | 8,400 | 42,600 | 1,800 | 191,552 | 680,127 |
| 1966 | 134,990 | 6,600 | 45,000 | 167,240 | 42,200 | 12,800 | 54,400 | 2,400 | 388,665 | 854,295 |

Source: Federal Agencies' Field Offices

Federal Agency Interior - BLM

Program All

County Nevada

State California

TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ 1,000 | $ 1,000 |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | 2,000 | 2,000 |
| 1959 | NA | NA | NA | NA | NA | NA | NA | NA | 2,000 | 2,000 |
| 1960 | NA | NA | NA | NA | NA | NA | NA | NA | 2,000 | 2,000 |
| 1961 | NA | NA | NA | NA | NA | NA | NA | NA | 2,000 | 2,000 |
| 1962 | NA | NA | NA | NA | NA | NA | NA | NA | 3,000 | 3,000 |
| 1963 | NA | NA | NA | NA | NA | NA | NA | NA | 4,000 | 4,000 |
| 1964 | NA | NA | NA | NA | NA | NA | NA | NA | 4,000 | 4,000 |
| 1965 | NA | NA | NA | NA | NA | NA | 2,668 | NA | 1,332 | 4,000 |
| 1966 | NA | NA | NA | NA | NA | NA | 1,250 | NA | 3,750 | 5,000 |

Source: Federal Agencies' Field Offices

C6-11

Federal Agency Corps of Engineers

Program Englebright Reservoir

County Nevada

State California

TABLE NO. C-7a

FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1959 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1960 | NA | 104 | 104 | 7,754 | NA | NA | 417 | NA | NA | 8,379 |
| 1961 | NA | 104 | 104 | 936 | NA | NA | 417 | NA | NA | 1,561 |
| 1962 | NA | 104 | 104 | 936 | NA | NA | 417 | NA | NA | 1,561 |
| 1963 | NA | 104 | 104 | 936 | NA | NA | 417 | NA | NA | 1,561 |
| 1964 | NA | 520 | 520 | 2,082 | NA | NA | 2,082 | NA | NA | 5,204 |
| 1965 | NA | 984 | 984 | 17,673 | NA | NA | 3,934 | NA | NA | 23,575 |
| 1966 | NA | 796 | 796 | 20,775 | NA | NA | 3,185 | NA | NA | 25,552 |

Source: Federal Agencies' Field Offices

C6-20

TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Nevada

STATE California

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | | | | | | |
| Timberland | $ 11.00 | 140,326 | $ 1,543,586 | 62.5 | $ 96,474 | 69¢ |
| Camp Ground | 50.00 | 104 | 5,200 | 62.5 | 325 | 313 |
| Homesite & Commercial | 200.00 | 351 | 70,200 | 62.5 | 4,388 | 1250 |
| BLM | | | | | | |
| Commercial Forest | 11.00 | 15,334 | 168,674 | 62.5 | 10,542 | 69 |
| C of E | | | | | | |
| Mixed Grazing & Timber | 11.00 | 894 | 9,834 | 62.5 | 615 | 69 |
| Totals | $ 11.45 | 157,009 | $ 1,797,494 | 62.5 | $ 112,344 | 72¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officals, EBSMC Estimates.

Federal Agency US Forest Service

Revenue Sharing Program Toiyabe & Tahoe National Forests (25%)a/

County Nevada

State California

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 × a/) |
|---|---|---|---|---|---|
| 1957 | $ 275,982 | $ 20,666 | $ 255,316 | $ 63,829 | $ 5,166 |
| 1958 | 178,511 | 13,275 | 165,236 | 41,309 | 3,319 |
| 1959 | 283,355 | 21,207 | 262,148 | 65,537 | 5,302 |
| 1960 | 259,191 | 19,343 | 239,848 | 59,962 | 4,836 |
| 1961 | 199,114 | 14,722 | 184,392 | 46,098 | 3,680 |
| 1962 | 154,073 | 11,341 | 142,732 | 35,683 | 2,835 |
| 1963 | 290,625 | 21,845 | 268,780 | 67,195 | 5,461 |
| 1964 | 250,400 | 11,768 | 238,632 | 59,658 | 2,942 |
| 1965 | 297,754 | 30,650 | 267,104 | 66,776 | 7,662 |
| 1966 | 381,083 | 27,411 | 353,672 | 88,418 | 6,853 |

Source: Federal Agencies' Field Offices

C6-22

County Nevada

State California

## TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACIED AREAS

| Years | Total School Budget | P.L. 815<br>Aid Provided | P.L. 815<br>% of Total Budget | P.L. 874<br>Aid Provided | P.L. 874<br>% of Total Budget |
|---|---|---|---|---|---|
| 1957 | $ 0 | $ 0 | 0 | $ 0 | 0 |
| 1958 | 0 | 0 | 0 | 0 | 0 |
| 1959 | 0 | 0 | 0 | 0 | 0 |
| 1960 | 2,180,655 | 0 | 0 | 23,104 | 1.06 |
| 1961 | 3,464,963 | 0 | 0 | 23,588 | .68 |
| 1962 | 3,047,809 | 0 | 0 | 38,629 | 1.27 |
| 1963 | 2,559,621 | 0 | 0 | 27,609 | 1.08 |
| 1964 | 2,787,441 | 0 | 0 | 25,264 | .91 |
| 1965 | 3,170,692 | 0 | 0 | 21,861 | .69 |
| 1966 | 3,842,477 | 0 | 0 | 34,271 | .89 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports

C6-23

# CASE COUNTY DIGEST
# SAN BERNARDINO, CALIFORNIA

## I. The County

a. General Description: San Bernardino is the largest county in California and, in fact, ranks as one of the largest in the nation. From a utilization viewpoint it is still rural although during the last two decades it has built up a substantial urban population. It is located in the southeastern part of the state bordering Nevada and Arizona. The county seat is the City of San Bernardino. There are 11 municipalities, 59 school districts and 133 special districts (as of 1965) in the county. The special districts include the following: Air pollution control (1), cemetery (3), community services (7), fire protection (23), flood control and water conservation (1), hospital (2), library (1), highway lighting (16), pest abatement (1), recreation and park (14), sanitary (2), county sanitation (5), county service areas (20), soil conservation (4), county water (24), municipal water (3), water authority (2), water conservation (2), and county waterworks (2). Four districts are known to have been added in 1966.

As is typical in all large California counties, the special districts operate in an independent manner; however, county government provides tax collection services to those districts operating outside the municipal areas to the extent that these districts rely on or operate with tax collections. A large number of special districts operate in a purely businesslike manner generating revenues from the services rendered. The municipalities in San Bernardino County reported considerable reliance on county government in all financial aspects of their governmental services except internal financial control and disbursements. These municipalities do provide a full range of local governmental services including street maintenance, law enforcement, public safety, fire protection, recreational and library facilities, sanitation facilities, refuse collection and utility services; although for the latter two services, municipalities often contract with a special district for their provision.

The county government provides the typical full range of governmental services and, because of the enormous size of the county, it does so through many regional and district offices. Relative to the county population, San Bernardino County's governmental apparatus is large and complex and is so constructed as to be one of the most effective and efficient in the entire nation. This might be partly an outgrowth of the combination of an enormously large land area and the socioeconomic composition which not only contains typical population characteristics but also some of the nation's largest defense establishments and their related military and civilian communities.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 503,591 | 1966 | 2 | 661,500 | 31.4 |
| Urban[1] | 1960 | 1 | 374,672 | 1966 | 2 | 494,900 | 32.1 |
| Rural | 1960 | 1 | 128,919 | 1966 | 2 | 166,600 | 29.2 |
| Employment | 1959 | 3 | 73,982 | 1966 | 3 | 103,361 | 39.7 |
| Effective Buying Income ($000) | 1960 | 2 | 1,045,800 | 1966 | 2 | 1,602,843 | 53.3 |
| Per Capita EBI ($) | 1960 | 2 | 2,014 | 1966 | 2 | 2,423 | 20.3 |
| Public School Enrollment (K-12) | 1960 | 1 | 115,704 | 1965 | 4 | 156,400 | 35.2 |

These figures show an above-average growth in every category. Notably, growth in employment and total effective buying income was greater than that for the population as a whole and reflects the county's healthy economic condition. Per capita EBI as reported for 1966 was somewhat above the average for a county containing a rural population which comprises about one-fourth of the total population. The growth in public school enrollment (K-12) has slightly exceeded that for the total population.

c. The Land: The county has a land area of over 12.8 million acres. Of these about 75% are reported to be in Federal ownership, though only about 7.5 million acres or 57% of the total county area are subject to revenue sharing programs. The remainder of the Federal land ownership, which exceeds 2.2 million acres, is comprised of large defense installations including Fort Irwin and Edwards and

---

[1] Includes areas of 2,500 people or more.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U. S. Bureau of the Census, County Business Patterns, (mid-March employment covered by the Social Security Program).
4. U.S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

Barron Air Force Bases. Also located in the county are large land holdings of the Bureau of Reclamation and the National Park Service.

The Corps of Engineers manages the San Antonio Dam, a civil waterworks.

The lands subject to RS programs are comprised of the following:

| | |
|---|---|
| Forest Service (FS) | |
| Angeles and San Bernardino National Forests | 433,742 acres |
| Bureau of Land Management (BLM) | |
| Grazing Districts, TG-3 | 160,261 acres |
| Outside Grazing, TG-15 | 6,920,361 acres |
| Corps of Engineers (C of E) | |
| Civil Works | 2,927 acres |
| Total | 7,517,291 acres |

II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the county and all units of government including special districts for the 10-year study period. It shows that total receipts doubled over the 10-year period. Revenues from property taxes increased at the rate of 173%. Property taxes as a share of total county receipts grew from 29% in 1957 to about 40% in 1966.

The increase in collections from other taxes and revenues reflects the sharp increase in total bonded indebtedness which over the period 1956-1966 increased over $106 million. Outstanding indebtedness for 1966 was equal to about 57% of the 1966 total county revenue. School bonds accounted for $75 million of the 10-year increase in outstanding indebtedness. Total debt, as shown in the summary at the end of the case county digest, was just under $150 million in 1966.

Table No. C-1a shows the increase in total state taxes and local property tax collections in the county. Reflecting the increasing reliance upon property taxes, the per capita collection of local property taxes increased over 80% while the per capita collection of state taxes increased about 45%. Combined state taxes and local property taxes increased at a rate of 64% per capita while as a percent of EBI the increase was 15%.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the period 1957-1966. The 1966 increase of $29 million is due, for the most part, to a increase of $14 million in expenditures for education, and a $13 million rise in "other" expenditures. On a per capita basis the rise in expenditures is more moderate and the estimate of $419 per capita expenditures for 1966 is about average for California counties, though higher than that for most counties in other states.

c. Property Tax: Table No. C-3 contains detailed data for the assessed values of property subject to taxes for the period 1957-1966. It shows an increase of more than 100% assessed value. The 120% increase in rural property assessment increased its share of total assessments from 39% in 1957 to 41% in 1966.

Reflecting the increased dependence upon property taxes, the county's weighted tax rate rose annually during the 10-year period and reached an all-time high of 88.2 mills in 1966, applicable to an average assessment of 20% of actual market value.

Included in the assessed values are numerous leasehold improvements owned by third parties and located on Forest Service lands. The summary at the end of the case study digest contains figures for the assessed value and resulting tax revenues, estimated at $2.7 million and $242,000 respectively.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: Overall, direct payments from the various applicable RS programs are of little significance to San Bernardino County. Though these payments in 1966 reached a level of over $88,000, compared with total county receipts -- or for that matter receipts from any one major source -- they are negligible. Moreover, the relationship between the RS payments and the land area to which they apply reflects, for the most part, the absence of a land utilization program from which RS payments could be generated. The sole exception is the national forest land from which a reasonable economic benefit is obtained.

Table No. C-4 contains acreage and payment data for each of the programs for the 10-year period to the extent that these are available.

b. Indirect Benefits: The allocations of the BPR Sliding Scale Highway Aid to the county have been of far greater significance than the direct RS payments. This is borne out by the figures in Table No. C-5. The 1966 payment of about $520,000 was larger than the average annual payment during the 10-year period.

c. Value of Free Goods and Services: The county has obtained the free use of certain tracts of land for a variety of purposes, and also the free supply of certain construction materials. Table No. C-6 contains an estimate of the annual value of these free land uses and materials, $72,600.

d. Federal Facilities and Services Having Joint Use: The Forest Service reported the county's free use of certain roads constructed by the Forest Service but turned over to the county for maintenance. It also reported the free use by the county of wildlife habitat improvement services upon non-Federally owned lands and the use of some fencing. Based on the construction or original costs, their useful life, annual operating costs and the percentage of use by the county, the following annual benefits were estimated.

| | | |
|---|---|---|
| Forest Service | - Roads | $21,960 |
| | - Fencing | 60 |
| | - Wildlife Habitat Improvement | 13,530 |
| | - Total | $35,550 |

No similar benefits were reported by either the Bureau of Land Management or the Corps of Engineers.

e. Resource Expenditures - Management: Only the Forest Service made substantial resource program expenditures in each of the years during the 10-year study period. BLM reported modest and mostly administrative expenditures in relation to its land. The Corps of Engineers did not report any resource program expenditures during the entire 10-year period. Table No. C-7 contains a summary of the resource program expenditures for the Forest Service and the Bureau of Land Management. It shows an average annual expenditure of $2.2 million, of which about 13% was attributable to capital items.

Table Nos. C-7a1 and 2 contain the detailed resource program expenditures by agencies and expenditure category.

While the C of E reported being engaged in watershed-related management functions only, the FS and BLM reported providing a full range of land management services. Reportedly, the activities of BLM have also included the granting of mineral leases though no royalty revenues were reported.

## IV. Burdens to Local Government

a. Direct Burdens: In view of the enormous size of the county, Federal land ownership within it and the distinction between lands to which

RS is applicable and other Federal lands, it is difficult to develop a reasonably accurate estimate of the financial burdens caused specifically by the presence of the applicable lands. Using various methods of allocation, however, and with the assistance of appropriate county officials, it was estimated that the direct financial burdens are as follows:

| | |
|---|---|
| Highway Maintenance | $270,000 |
| Law Enforcement | 28,000 |
| Health and Hospital Services | 75,000 |
| General Administrative Services | 67,000 |
| Total | $440,000 |

It is quite conceivable that different methods of allocation might product substantially larger direct burden figures, though it is not likely that they would produce substantially smaller figures.

b. Indirect Burden: The preponderance of land to which RS programs are applicable has relatively low surface values. However, due to the large quantity and relatively high tax rate if these lands were in private ownership, they would result in a relatively large tax collection. The low value of the over 5.5 million acres of unproductive range lands and open spaces are partly offset by the high values for residential, industrial and recreational quality lands which total over 1.8 million acres. Table No. C-8 contains an estimate of the assessable values of the lands subject to RS payments and an estimate of the potential tax revenue which might be obtained if these lands were in private ownership. It shows a total potential tax estimate of over $9.5 million at an average of $1.28 per acre.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: The Forest Service made K-V Fund collections in each of the years during the 10-year study. These collections varied widely and as a percent of gross receipts ranged from a low of 5% to a high of 44%. The pertinent figures are contained in Table No. C-9. The revenue share "lost" in 1965 was equal to 6% of the net payment, and in 1966 was equal to 17% of the net payment to the county.

Additionally, the RS payments to the county were reduced as a result of the Forest Service's practice of reducing the value of the timber purchase contracts by the estimated cost of construction and reconstruction of harvest roads. If this reduction had not been made in 1966 -- it amounted to $29,168 -- the RS payment to the county would have been increased by $7,292.

d. Public Laws 815 and 874: The county obtained Federal aid payments under PL's 815 and 874 each year of the 10-year period. The pertinent figures are contained in Table No. C-10.

## V. Impact of Present System

a. County Finance: The present RS system including indirect and in-kind benefits is a negligible source of funds for county finance. The 1966 figures provide the following summary:

| | |
|---|---|
| RS (C-4) | $ 88,508 |
| Sliding Scale Payments (C-5) | 519,561 |
| Free Goods and Services (C-6) | 72,647 |
| Joint Use Facilities (III.d.) | 35,550 |
| Total Direct Benefits | $ 716,266 |

From these must be deducted the direct burdens attributable to the presence of public lands:

| | |
|---|---|
| Direct Burden (IV.a.) | $ 440,000 |
| Resulting Net Direct Benefits | 276,266 = 4¢/acre |

If from the above benefits the BPR Sliding Scale Highway Aid payments for 1966 were to be deducted and only the RS and in-kind benefits reflected, the result would be a net financial burden to the county of $243,295. Both figures compare unfavorably with the estimate for potential tax revenues if the land were in private ownership, as shown in Table No. C-8. Even if the unproductive acreage were excluded, it is estimated that there would still result a potential tax revenue of over $4 million.

b. The Overview: The benefits from the RS program, including in-kind and indirect benefits, are of little significance in San Bernardino County and, for that matter, of little concern to its officials. However, these officials are much concerned about the lack of an in-lieu tax payment system which would not only provide the county with a fair share of revenues attributable to the RS program lands but also the remainder of the public lands from which no direct benefits at all accrue. These officials suggested that serious consideration be given to PILT and/or RS alternatives under which the county might obtain revenues which more nearly reflect the share of local governmental costs.

The many land management problems which have been identified in the other case county studies also exist here. Specifically these include land exchanges, reserving of lands for future public services and the pressures for the sale of relatively unproductive lands for which exists some demand for alternate utilization. A major problem identified by county and Federal officials is the lack of coordination among the various land managing agencies including those involved with the land excluded from this study. The opinion was voiced that instead of a coordinated approach among the various agencies, a competitive approach leading to the buildup of bureaucratic structures exists.

Overall, it seems that except for relatively small and isolated areas, excluding those under intense land management, no long-range plans have been conceived for the utilization and the economic productivity of the high Federal land resource in San Bernardino County.

# SAN BERNARDINO, CALIFORNIA

## SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| Forest Service | Commercial, Residential Recreation, Grazing | $2,741,560 | $241,806 |
| | Total | $2,741,560 | $241,806 |

Source: Federal Agencies' Field Offices and County Tax Assessor.

## BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $151,498,000 | $104,041,000 |
| Sewage | 16,291,000 | 13,379,000 |
| Water | 22,746,000 | 21,688,000 |
| Hospital | 500,000 | 500,000 |
| Other | 14,120,000 | 9,818,000 |
| Total | $205,054,000 | $149,325,000 |

Source: San Bernardino County Audit Reports.

C7-9

C7-10

## TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY San Bernardino

STATE California

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $35,800,000 | $ 3,100,000 | $ 38,900,000 | $ 94,592,000 | $ 133,492,000 |
| 1958 | 40,934,000 | 4,004,000 | 44,938,000 | 99,228,000 | 144,166,000 |
| 1959 | 47,340,000 | 4,756,000 | 52,096,000 | 88,123,000 | 140,219,000 |
| 1960 | 55,722,000 | 5,511,000 | 61,233,000 | 82,872,000 | 144,105,000 |
| 1961 | 59,905,000 | 6,106,000 | 66,011,000 | 95,234,000 | 161,245,000 |
| 1962 | 64,587,000 | 6,248,000 | 70,835,000 | 95,513,000 | 166,348,000 |
| 1963 | 73,089,000 | 6,020,000 | 79,109,000 | 122,512,000 | 201,621,000 |
| 1964 | 78,792,000 | 6,315,000 | 85,107,000 | 129,823,000 | 214,930,000 |
| 1965 | 87,133,000 | 6,912,000 | 94,045,000 | 161,150,000 | 255,195,000 |
| 1966 | 98,284,000 | 8,107,000 | 106,391,000 | 161,484,000 | 267,875,000 |
| % incr./decr. '66 vs. 1st yr. | 174.5 | 161.5 | 173.5 | 70.7 | 100.7 |

Source: State Board of Equalization and Annual Report of Financial Transactions, State of California.

TABLE NO. C-1a

ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME
1957 - 1966

COUNTY San Bernardino

STATE California

| YEAR | State Taxes ($000)<br>Sales & Gross Receipts (1) | Individual Income (2) | Other 1/ (3) | Total 1/ (4) | Total State Taxes<br>% of EBI (5) | Per Capita($) (6) | Local Property Taxes<br>% of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes<br>% of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 28,616 | 3,603 | 9,181 | 41,400 | 5.46 | 92.70 | 5.13 | 87.10 | 10.59 | 179.80 |
| 1958 | 28,463 | 4,012 | 9,955 | 42,430 | 5.06 | 89.03 | 5.36 | 94.29 | 10.42 | 183.32 |
| 1959 | 30,879 | 4,365 | 10,319 | 45,563 | 4.92 | 95.28 | 5.63 | 108.94 | 10.55 | 204.22 |
| 1960 | 34,684 | 6,665 | 11,347 | 52,696 | 5.04 | 101.48 | 5.86 | 117.91 | 10.90 | 219.39 |
| 1961 | 34,958 | 7,034 | 12,893 | 54,885 | 5.27 | 100.61 | 6.34 | 121.01 | 11.61 | 221.62 |
| 1962 | 37,248 | 7,729 | 13,249 | 58,226 | 5.36 | 102.91 | 6.52 | 125.19 | 11.88 | 228.10 |
| 1963 | 41,718 | 8,529 | 14,970 | 65,217 | 5.44 | 109.30 | 6.60 | 132.58 | 12.04 | 241.88 |
| 1964 | 49,007 | 10,526 | 16,621 | 76,154 | 5.81 | 122.45 | 6.50 | 136.85 | 12.31 | 259.30 |
| 1965 | 52,259 | 11,040 | 18,232 | 81,531 | 5.76 | 126.44 | 6.64 | 145.85 | 12.40 | 272.29 |
| 1966 | 56,456 | 12,966 | 19,802 | 89,224 | 5.57 | 134.88 | 6.64 | 160.83 | 12.21 | 295.71 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7)
Col. (10) = Col. (6) + Col. (8)

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY San Bernadino

STATE California

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $55,793,124 | $5,783,875 | $ 54,755,767 | $ 116,332,766 | $ 260 |
| 1958 | 66,320,289 | 6,796,530 | 59,021,135 | 132,137,954 | 277 |
| 1959 | 69,273,313 | 7,252,484 | 63,679,358 | 140,205,155 | 293 |
| 1960 | 81,587,608 | 7,618,374 | 60,345,888 | 149,551,870 | 288 |
| 1961 | 81,587,297 | 7,912,095 | 84,537,050 | 174,036,442 | 319 |
| 1962 | 85,725,388 | 9,119,423 | 72,380,820 | 167,225,631 | 296 |
| 1963 | 97,843,775 | 8,453,826 | 82,489,647 | 188,787,248 | 316 |
| 1964 | 109,645,930 | 9,942,123 | 93,452,101 | 213,040,154 | 343 |
| 1965 | 132,390,391 | 12,032,186 | 103,507,250 | 247,929,827 | 385 |
| 1966 | 146,009,366 | 14,583,647 | 116,300,780 | 276,893,793 | 419 |
| % incr./decr.'66 vs. first year | 161.7 | 152.1 | 112.4 | 138.0 | 61.2 |
| % incr./decr.'66 vs. first year per capita | 76.8 | 69.2 | 43.1 | 61.2 | |

Source: Annual Report of Financial Transactions, State of California
Col. (5): Col. (4) divided by population estimates, Sales Management.

County San Bernardino

State California

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential | (2) Commercial, Industrial 2/ | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. 2/ | (6) Personal | (7) Other 2/ | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $205,918,030 | $ | $100,361,570 | $225,994,340 | $ | $ 46,062,410 | $ | $ 578,336,350 |
| Aver. Tax Rate 67.3 mills | | | | | | | | |
| Item % of Total | 35.6 | | 17.3 | 39.1 | | 8.0 | | 100.0 |
| 1958 Assessed Value | 229,057,170 | | 110,378,110 | 251,756,350 | | 57,777,780 | | 648,969,410 |
| Aver. Tax Rate 69.3 mills | | | | | | | | |
| 1959 Assessed Value | 245,643,800 | | 133,338,440 | 285,995,760 | | 66,797,760 | | 731,775,760 |
| Aver. Tax Rate 71.2 mills | | | | | | | | |
| 1960 Assessed Value | 258,874,210 | | 141,039,120 | 333,063,000 | | 72,417,880 | | 805,394,210 |
| Aver. Tax Rate 76.1 mills | | | | | | | | |
| 1961 Assessed Value | 281,347,810 | | 140,742,100 | 359,598,200 | | 79,608,870 | | 861,296,980 |
| Aver. Tax Rate 76.7 mills | | | | | | | | |
| 1962 Assessed Value | 298,231,070 | | 159,409,830 | 377,557,030 | | 80,723,520 | | 915,921,450 |
| Aver. Tax Rate 77.4 mills | | | | | | | | |
| 1963 Assessed Value | 314,299,580 | | 167,913,160 | 398,249,370 | | 72,442,840 | | 952,904,950 |
| Aver. Tax Rate 83.1 mills | | | | | | | | |
| 1964 Assessed Value | 348,010,150 | | 179,285,960 | 415,437,330 | | 75,538,280 | | 1,018,271,720 |
| Aver. Tax Rate 83.6 mills | | | | | | | | |
| 1965 Assessed Value | 397,735,640 | | 182,421,100 | 454,494,120 | | 81,992,890 | | 1,116,643,750 |
| Aver. Tax Rate 84.3 mills | | | | | | | | |
| 1966 Assessed Value 1/ | 433,752,280 | | 184,069,470 | 497,409,740 | | 91,916,100 | | 1,207,147,590 |
| Aver. Tax Rate 88.2 mills | | | | | | | | |
| Item % of Total | 35.9 | | 15.3 | 41.2 | | 7.6 | | 100.0 |
| Increase/Decrease '66 vs. '57 | 110.6 | | 83.4 | 120.1 | | 99.5 | | 108.7 |

1/ Assessed value represents 20 percent of actual market value in 1966.
2/ Included in other items.
Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

C7-13

PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-4
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = CALIFORNIA<br>COUNTY = SAN BERNARDINO | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 18508 | 28639 | 30127 | 38184 | 24298 | 26344 | 30696 | 41355 | 38355 | 51246 |
| PERCENT BASE YEAR | 100.0 | 154.7 | 162.8 | 206.3 | 131.3 | 142.3 | 165.9 | 223.4 | 207.2 | 276.9 |
| PROGRAM ACREAGE | 430427 | 430207 | 432345 | 432345 | 432319 | 433019 | 433019 | 433077 | 433749 | 433742 |
| REVENUE $ PER ACRE | 0.04 | 0.07 | 0.07 | 0.09 | 0.06 | 0.06 | 0.07 | 0.10 | 0.09 | 0.12 |
| TAYLOR GRAZE SECT 15 * | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 21940 | 19239 | 19486 | 19466 | 21023 | 13595 | 24431 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 87.7 | 88.8 | 88.7 | 95.8 | 62.0 | 111.4 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 235 | 144 | 181 | 271 | 184 | 254 | 194 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 61.3 | 77.0 | 115.3 | 78.3 | 108.1 | 82.6 |
| PROGRAM ACREAGE | NA | NA | NA | 112115 | 160261 | 110976 | 110976 | 110976 | 110976 | 160261 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 18508 | 28639 | 30127 | 60359 | 43681 | 46011 | 50433 | 62562 | 52204 | 75871 |
| PERCENT BASE YEAR | 100.0 | 154.7 | 162.8 | 326.1 | 236.0 | 248.6 | 272.5 | 338.0 | 282.1 | 409.9 |
| PROGRAM ACREAGE | 430427 | 430207 | 432345 | 544460 | 592580 | 543995 | 543995 | 544053 | 544725 | 594003 |
| REVENUE $ PER ACRE | 0.04 | 0.07 | 0.07 | 0.11 | 0.07 | 0.08 | 0.09 | 0.11 | 0.10 | 0.13 |

C7-14

NA = data not available.

*Total land available under program in 1966 was 6,920,361 acres.

Revenues per acre in dollars have been truncated to the nearest cent, i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are affected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-4A

## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS

(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = CALIFORNIA | | | | | | | | | | |
| COUNTY = SAN BERNARDINO | | | | | | | | | | |
| FLOOD CONTROL PROGRAM * | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 19687 | 20627 | 21937 | 16798 | 16332 | 15924 | 15508 | 15261 | 15752 | 12635 |
| PERCENT BASE YEAR | 100.0 | 104.8 | 111.4 | 85.3 | 83.0 | 80.9 | 78.8 | 77.5 | 80.0 | 64.2 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 38195 | 49266 | 52064 | 77157 | 60013 | 61935 | 65941 | 77823 | 67956 | 88506 |
| PERCENT BASE YEAR | 100.0 | 129.0 | 136.3 | 202.0 | 157.1 | 162.2 | 172.6 | 203.8 | 177.9 | 231.7 |
| PROGRAM ACREAGE | 430427 | 430207 | 432345 | 544460 | 592580 | 543995 | 543995 | 544053 | 544725 | 594003 |
| REVENUE $ PER ACRE | 0.09 | 0.11 | 0.12 | 0.14 | 0.10 | 0.11 | 0.12 | 0.14 | 0.12 | 0.15 |

*Total land available under program in 1966 was 2,927 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

C7-5

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY San Bernardino

STATE California

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 3,896,535 | $ 200,261 |
| 1958 | 17,384,053 | 340,962 |
| 1959 | 7,306,038 | 197,655 |
| 1960 | 11,122,500 | 230,177 |
| 1961 | 10,740,781 | 277,420 |
| 1962 | 22,218,289 | 492,250 |
| 1963 | 11,462,001 | 253,487 |
| 1964 | 25,511,328 | 535,907 |
| 1965 | 12,375,447 | 291,009 |
| 1966 | 9,438,257 | 519,561 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: San Bernardino

STATE: California

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Land (various public services) | $54,232 |
| | Radio Station Use | 900 |
| | Communications Systems Use | 6,000 |
| | Heliports Use | 2,000 |
| | Benefits from lookouts | 5,915 |
| BLM | Sand, Gravel, Stone, Clay | 1,325 |
| | Land (rights-of-way) | 2,275 |
| C of E | None | 0 |
| | Total | $72,647 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

C7-17

County San Bernardino

State California

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 1,802,590 | $ 115,230 | $ 1,917,820 |
| 1958 | 1,431,232 | 238,728 | 1,669,960 |
| 1959 | 1,452,466 | 627,015 | 2,079,481 |
| 1960 | 2,694,745 | 86,395 | 2,781,140 |
| 1961 | 1,901,170 | 309,290 | 2,210,460 |
| 1962 | 1,549,187 | 317,493 | 1,866,680 |
| 1963 | 2,039,384 | 192,506 | 2,231,890 |
| 1964 | 1,821,022 | 242,568 | 2,063,590 |
| 1965 | 2,481,383 | 281,617 | 2,763,000 |
| 1966 | 2,097,377 | 371,203 | 2,468,580 |
| Average Year | 1,927,056 | 278,204 | 2,205,260 |
| Item % of Total, Average Year | 87.4 | 12.6 | 100.0 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices

Federal Agency US Forest Service

Program San Bernardino & Angeles National Forests

County San Bernardino

State California

TABLE NO. C-7a

Page 1 of 2

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 1,505,030 | $ 690 | $ 1,830 | $ 65,930 | $ 8,300 | $ 19,320 | $ 24,790 | $ 5,520 | $ 282,410 | $1,913,820 |
| 1958 | 1,080,170 | 1,400 | 4,070 | 193,690 | 13,150 | 31,050 | 109,480 | 6,210 | 225,740 | 1,664,960 |
| 1959 | 1,338,360 | 3,460 | 8,940 | 229,831 | 18,170 | 0 | 130,870 | 6,960 | 336,910 | 2,073,481 |
| 1960 | 2,158,930 | 9,690 | 12,550 | 176,560 | 19,440 | 0 | 106,420 | 13,120 | 276,430 | 2,773,140 |
| 1961 | 1,444,070 | 11,770 | 9,030 | 335,190 | 7,720 | 0 | 147,650 | 15,290 | 231,740 | 2,202,460 |
| 1962 | 1,232,860 | 22,110 | 16,140 | 246,780 | 14,020 | 0 | 28,770 | 23,640 | 272,380 | 1,856,680 |
| 1963 | 1,367,430 | 24,180 | 27,240 | 139,780 | 19,340 | 0 | 251,960 | 13,290 | 376,470 | 2,219,890 |
| 1964 | 1,161,150 | 17,310 | 11,100 | 275,110 | 19,510 | 0 | 254,040 | 24,410 | 287,960 | 2,050,590 |
| 1965 | 1,720,730 | 20,790 | 50,330 | 394,470 | 15,360 | 0 | 280,120 | 22,280 | 244,920 | 2,749,000 |
| 1966 | 1,326,490 | 13,140 | 9,870 | 407,120 | 13,290 | 48,400 | 250,530 | 20,260 | 364,480 | 2,453,580 |

Source: Federal Agencies' Field Offices

Federal Agency Interior - BLM

Program All

County San Bernardino

State California

TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ 1,000 | $ NA | $ NA | $ NA | $ NA | $ 0 | $ NA | $ 3,000 | $ 4,000 |
| 1958 | NA | 1,000 | NA | NA | NA | NA | 0 | NA | 4,000 | 5,000 |
| 1959 | NA | 1,200 | NA | NA | NA | NA | 0 | NA | 4,800 | 6,000 |
| 1960 | NA | 2,664 | NA | NA | NA | NA | 0 | NA | 5,336 | 8,000 |
| 1961 | NA | 2,000 | NA | NA | NA | NA | 0 | NA | 6,000 | 8,000 |
| 1962 | NA | 1,670 | NA | NA | NA | NA | 0 | NA | 8,330 | 10,000 |
| 1963 | NA | 1,716 | NA | NA | NA | NA | 0 | NA | 10,284 | 12,000 |
| 1964 | NA | 4,329 | NA | NA | NA | NA | 0 | NA | 8,671 | 13,000 |
| 1965 | NA | 2,800 | NA | NA | NA | NA | 5,600 | NA | 5,600 | 14,000 |
| 1966 | NA | 2,505 | NA | NA | NA | NA | 6,255 | NA | 6,240 | 15,000 |

Source: Federal Agencies' Field Offices

# TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY San Bernardino

STATE California

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | | | | | | |
| Residential | $ 200.00 | 4,565 | $ 913,000 | 86.6 | $ 79,066 | 1732¢ |
| Industrial, Recreational, Commercial, etc. | 44.00 | 429,177 | 18,000,000 | 86.6 | 1,558,800 | 381 |
| BLM | | | | | | |
| Woodland | 10.00 | 55,000 | 550,000 | 86.6 | 47,630 | 87 |
| Range Land & Open Spaces | 5.00 | 5,586,622 | 27,933,110 | 86.6 | 2,419,007 | 43 |
| Industrial, Recreational, Commercial, etc. | 44.00 | 1,439,000 | 63,316,000 | 86.6 | 5,483,166 | 381 |
| C of E | | | | | | |
| Agricultural & Grazing | 5.00 | 2,638 | 13,190 | 86.6 | 1,142 | 43 |
| Unimproved | 3.00 | 289 | 867 | 86.6 | 75 | 26 |
| Totals | $ 14.73 | 7,517,291 | $ 110,726,167 | 86.6 | $ 9,588,886 | 128¢ |

1/ Composite produced from estimates for each land class or type.

2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency US Forest Service

Revenue Sharing Program Angeles & San Bernardino National Forests (25%)[a/]

County San Bernardino

State California

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

C7-22

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 × a/) |
|---|---|---|---|---|---|
| 1957 | $ 132,250 | $ 58,218 | $ 74,032 | $ 18,508 | $ 14,554 |
| 1958 | 143,998 | 29,438 | 114,560 | 28,640 | 7,360 |
| 1959 | 138,931 | 18,419 | 120,512 | 30,128 | 4,605 |
| 1960 | 189,440 | 36,700 | 152,740 | 38,185 | 9,175 |
| 1961 | 102,597 | 5,397 | 97,200 | 24,300 | 1,349 |
| 1962 | 112,231 | 6,851 | 105,380 | 26,345 | 1,713 |
| 1963 | 136,859 | 14,071 | 122,788 | 30,697 | 3,518 |
| 1964 | 188,675 | 23,255 | 165,420 | 41,355 | 5,814 |
| 1965 | 163,374 | 9,950 | 153,424 | 38,356 | 2,488 |
| 1966 | 239,345 | 34,357 | 204,988 | 51,247 | 8,589 |

Source: **Federal Agencies' Field Offices**

County San Bernardino

State California

TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACIED AREAS

| Years | Total School Budget | P.L. 815 Aid Provided | P.L. 815 % of Total Budget | P.L. 874 Aid Provided | P.L. 874 % of Total Budget |
|---|---|---|---|---|---|
| 1957 | $ 55,793,124 | $ 5,647,006 | 10.12 | $ 528,852 | .95 |
| 1958 | 66,320,289 | 5,746,201 | 8.66 | 613,412 | .92 |
| 1959 | 69,273,313 | 5,854,940 | 8.45 | 970,343 | 1.40 |
| 1960 | 81,587,608 | 6,460,096 | 7.92 | 1,162,655 | 1.43 |
| 1961 | 81,587,297 | 6,986,423 | 8.56 | 1,259,245 | 1.54 |
| 1962 | 85,725,388 | 986,451 | 1.15 | 1,709,419 | 1.99 |
| 1963 | 97,843,775 | 425,494 | .44 | 3,258,128 | 3.33 |
| 1964 | 109,645,930 | 368,477 | .34 | 3,500,848 | 3.19 |
| 1965 | 132,390,391 | 2,117,546 | 1.60 | 3,564,867 | 2.69 |
| 1966 | 146,009,366 | 639,930 | .44 | 3,751,811 | 2.57 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports

C7-23

# CASE STUDY DIGEST
# TRINITY, CALIFORNIA

## I The Land

a General Description: Trinity is a large rural county located in the northwestern part of the state about 45 miles south of the Oregon border and about 30 miles east of the Pacific Ocean. Weaverville is the county seat. There are no municipalities or townships in this rural county, however, there are 15 school districts and eight special districts The latter are engaged in activities related to highway construction, fire protection, recreation, sanitation facilities and utility operations. The county government is the only form of local government and it provides the full range of public services except educational services which are provided by the 15 school districts. The county's services include, in addition to the routine county governmental functions, activities in the areas of recreation, planning, resource development, surveying, refuse collection, animal pound, and cemetery operations.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 9,706 | 1966 | 2 | 8,900 | -8.3 |
| Urban[1] | 1960 | 1 | 0 | 1966 | 2 | 0 | 0 |
| Rural | 1960 | 1 | 9,706 | 1966 | 2 | 8,900 | -8.3 |
| Employment | 1959 | 3 | 1,348 | 1966 | 3 | 874 | -35.2 |
| Effective Buying Income ($000) | 1960 | 2 | 18,194 | 1966 | 2 | 22,501 | 23.7 |
| Per Capita EBI ($) | 1960 | 2 | 1,819 | 1966 | 2 | 2,528 | 39.0 |
| Public School Enrollment (K-12) | 1960 | 1 | 2,295 | 1965 | 4 | 1,400 | -39.0 |

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[1] Includes areas of 2,500 people or more.

Sources:
1. U.S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U.S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U.S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

As in many rural counties, Trinity's population has declined, but not at as great a rate as its reported employment. Notwithstanding the decline in employment, effective buying income increased by 24% during the period 1960 to 1966. Per capita income increased 39% and reached a level which is substantially above the average for rural counties.

Public school enrollment (K-12) declined at a sharp rate to 1965 which would tend to indicate that families with above-average numbers of school age children are those who were leaving the county.

c. The Land: Trinity is a rural county consisting of rugged mountainous terrain, although most of it is at elevations below the "tree line" and productive forests are in abundance. The total land area of the county exceeds 2 million acres. Of these, almost 1.5 million acres are in Federal ownership. The county reports that there are slightly over 10,000 acres of Federal land in the county which have not been identified as lands under the management of the Federal land managing agencies. In all likelihood they represent miscellaneous Federal properties including those of the Department of Defense.

The land subject to PILT and RS are composed of the following:

| | | |
|---|---|---|
| Forest Service (FS) | - Six Rivers NF | 198,322 acres |
| | - Mendocino NF | 73,144 acres |
| | - Shasta-Trinity NF | 1,116,606 acres |
| Bureau of Land Management (BLM) | - Outside Grazing TG-15[1] | 66,760 acres |
| Bureau of Reclamation (B of R) | - Trinity Basin Project | 19,835 acres |
| Total - | | 1,474,667 acres |

II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue figures for the period 1957-1966. Total receipts increased during this period by about $2 million, a rate of increase of 81%. While collection from property taxes were estimated to have increased by 59% during this period, their share of total county receipts declined from 26% in 1957 to 23% in 1966.

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1/ Acreages reported in BLM Statistics, State Series, California 1966. The estimate contained in BLM payment vouchers shows 46,768 acres.

The county's diminishing reliance upon local property taxes is further shown in Table No. C-1a which shows an increase of over 38% in state tax collections and an increase of just over 30% in local property tax collections, both on a per capita basis. Combined, the increase in tax collections per capita is 34% but as a percent of EBI, taxes have declined by 15%.

During the 1956-1966 period the county's bonded indebtedness increased by about $900,000. The summary at the end of the case study digest contains the 1966 figures for outstanding bonds by bond category.

b. Expenditures: Table No. C-2 lists detailed expenditure data for the period 1957-1966. It shows a slower rate of increase between 1957 and 1966 than total receipts; however, during the last five years, 1961-1966, total expenditures amounted to $20.5 million as compared with total receipts of $20.6 million.

The rate of increase for education was 84%; however, between 1958 and 1966 the increase was only about 20% and reflects the decline in public school enrollment which, however, is more than offset by increased costs.

c. Property Taxes: Despite the decline in population and employment, total assessed value in the county increased by 45% or about $5.4 million. Table No. C-3 contains detailed data for the assessed value of property subject to taxes for the 10-year period. It also shows a steady increase in the tax rate which in 1966 was understood to be one of the highest tax rates of all rural counties in the state.

Included in assessed values are those relating to residential, recreational, commercial and mining properties on Federal lands as well as the assessed value of grazing permits. The summary enclosed at the end of the case study digest contains an estimate of the assessed value and resulting tax revenues. They are $196,600 and $12,860 respectively.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: Table No. C-4 contains acreage and payment data by RS and PILT programs for the 10-year period to the extent that they are available. Essentially, there are three programs applicable to this county: The National Forest Fund, TC-15 (both are RS programs), and the in-lieu tax payments from the Trinity Basin Project. The latter is carried out in conformance with 69 Stat. 719, 720 (1955) under which the county is paid annually amounts equal to the county's annual tax rate applied to the value of the real property and improvements as of the time the property was taken from the tax rolls. Due to the increase in the county's tax rate, payments to it under this PILT program increased in most of the years, although in 1965 and 1966 slight reductions occurred. It is understood that the reductions were caused by a decrease in the tax rate applicable to the district in which the Trinity River Basin lands are located.

Payments under TG-3 have been insignificant. Conversely, annual payments from the Forest Fund increased in almost each year and reached an all-time high in 1966 of over $975,000. As a result of this new high in RS payments from the Forest Fund, total payments from RS and PILT for 1966 amounted to $985,475, about $113,000 more than in 1964, the year of the previous high.

b. Indirect Benefits: The county received allocations under the BPR Sliding Scale Highway Aid Program in all but two years during the 10-year study period. These payments fluctuated widely. The 1966 payment of over $25,000 was substantially more than those during the three preceding years in which payments were made.

c. Value of Free Goods and Services: Trinity County has obtained free of charge considerable tracts of land, construction materials and other services from each of the three land managing agencies. An estimate of the annual value for each of these free goods and services is contained in Table No. C-6 which shows a total of $57,829.

d. Federal Facilities and Services Having Joint Use: The Forest Service has reported the free use by the county of certain of its facilities. Based on the original costs and useful life, where applicable, annual operating costs and the percentage of usage of these facilities by the county, it was estimated that the following annual value was obtained by the county:

| | | |
|---|---|---|
| Forest Service | - roads, trails and bridges | $ 10,870 |
| | - search and rescue | 1,000 |
| | - water fill | 14 |
| | - fire lookouts | 2,255 |
| | - snow surveys | 210 |
| | Total | $ 14,349 |

e. Resource Expenditures - Management: All three management agencies made resource program expenditures during each of the years; however, the expenditures of the Bureau of Reclamation prior to 1964 were associated with the original construction of the Trinity River Basin and Dam. Table No. C-7 contains a summary of the applicable resource program expenditures for the 10-year period. Expenditures grew almost continually and in 1966 amounted to $6.9 million as compared with an average of about $4 million for each of the years during the 10-year period. About 36% of the total expenditures were attributable to capital items. Tables No. C-7a1, 2 and 3 contain the detailed expenditures by agency and expenditure category.

The management activities by the BLM also include mineral leasing though no revenues have been reported from this source. The B of R is engaged in maintenance of the watershed which includes construction and maintenance of roads. Otherwise, BLM and FS are engaged in a full range of management activities which include multiple use programs.

## IV. Burdens to Local Government

Direct Burdens: Several types of financial burdens are imposed upon county finances due to the presence of public lands. Most, if not all, of these financial burdens are associated with the use of the public lands for recreational purposes from which no direct revenues are being realized. County officials identified the following financial burdens:

| | |
|---|---|
| Law Enforcement and Court | $ 30,600 |
| Refuse Disposal | 3,700 |
| Health Officer and Hospital Services | 60,500 |
| Probation Officer | 1,900 |
| Total Direct Burden | $ 96,700 |

In addition to the above financial burdens, the county claims that financial burdens are being experienced for certain welfare and administrative activities which relate to the public lands; however, they were unable to provide any acceptable figures for these expenditures. The financial burdens identified above essentially reflect the difference in costs for these various activities prior to the opening of the Trinity Lake for recreational purposes and the 1966 expenditures. The figures were then adjusted to reflect increased costs and services in the non-Federal land areas of the county.

b. Indirect Burden: Despite the mountainous topography of Trinity County, the Federal lands are, for the most part, productive or could be productive and, with the exception of a small quantity of wasteland and low grade timberland, the lands have a relatively high surface value. Table No. C-8 contains an estimate of the assessable value and the potential tax revenue which might be obtained if these lands were in private ownership. It shows a total potential tax estimate of $634,200, averaging 43¢/acre.

c. Loss in Revenue As a Result of Sharing Net Versus Gross: The Forest Service made K-V Fund collections in each of the years during the 10-year study period. These collections and the resulting "loss" in the revenue shared are shown in Table No. C-9. The K-V Fund collections ranged, as a percent of gross receipts, from a low of 7% in 1957 to a high of 9% in 1958, with the years 1965 and 1966 reflecting collections of 8% for each year. In these two years the resulting reduction in revenue shared was equal to 9% and 8% of the net payment to the county.

Additionally, the RS payments to the county were reduced as a result of the Forest Service's practice of reducing the value of the timber purchase contracts by the estimated cost of construction and reconstruction of harvest roads. If this reduction had not been made in 1966 -- it amounted to $1,215,413 -- the RS payment to the county would have been increased by $303,853.

d. Public Laws 815 and 874: The county obtained Federal aid payments on PL 874 in each of the years, and under PL 815 for five of the years during the 10-year study period. The relevant figures are contained in Table No. C-10.

V. Impact of Present System

a. County Finance: The present PILT and RS system is of considerable benefit to the county, and the payments obtained offset the loss of tax revenue and the direct financial burden. The following summary is pertinent (1966 figures):

| | |
|---|---|
| PILT and RS (C-4) | $ 985,475 |
| Sliding Scale Payments (C-5) | 25,083 |
| Free Goods and Services (C-6) | 57,829 |
| Joint Use Facilities (III.d.) | 14,349 |
| Total Direct Benefits | $ 1,082,736 |

From these must be deducted the direct burdens attributable to the presence of public land:

| | |
|---|---|
| Direct Burdens (IV.a.) | $ 96,700 |
| Resulting Net Direct Benefit | 986,036 = 67 c/acre |

The above summary compares favorably with the potential tax revenue which might be obtained if the lands were in private ownership. In fact, the present system of PILT and RS provides over 50% more in direct benefits than might be obtained from property tax collections.

b. The Overview: Despite the favorable impact of the present system upon county finances, there are many problems of Federal land management as expressed by various county officials.

One peculiar problem is the purchase of land in Trinity by Federal agencies in exchange for which Federally owned lands in other counties are being provided. This exchange of land results in Trinity County losing property tax revenues while another county gains such revenues. Another peculiar problem relating to land exchanges within the county is that involving the exchange of timberlands as a result of which the private owner of the exchanged land removes the timber without making provision for any reforestation, and the county is left with the assessment of the barren land only.

Yet another problem results from the Forest Service's practice of putting up for bid only large quantities of timber. The many small timber mills which existed in the county during the 1940's were unable to participate in these timber auctions and, as a result, their number has sharply declined. The consequence is not only a decline in population and job opportunities in the county but also a reduction in assessable values for tax purposes.

Finally, these county officials point out that the county seat, Weaverville, is hindered in its residential, commercial and industrial growth because it is landlocked by Forest Service lands which have not been made available for private development.

## TRINITY, CALIFORNIA

### SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II.c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| Forest Service | Residence, Recreation, Commercial, Mining, & Grazing | $196,595 | $12,857[1/] |
|  | Total | $196,595 | $12,857 |

1/ Includes possessory interest taxes on public lands excluded from the scope of this study and not subjected to PILT and RS payments.

Source: Federal Agencies' Field Offices and County Tax Assessor.

### BONDED INDEBTEDNESS, 1966
(Digest Ch. II.a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $1,037,000 | $ 880,000 |
| Water | 230,000 | 90,000 |
| Sewage | 210,000 | 170,000 |
| Total | $1,477,000 | $1,140,000 |

Source: Trinity County Audit Reports.

C8-9

TABLE NO. C-1

LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Trinity

STATE California

| Year | Real Property[1] (1) | Personal Property[1] (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 476,142 | $ 236,858 | $ 713,000 | $ 2,057,733 | $ 2,770,733 |
| 1958 | 494,836 | 265,164 | 760,000 | 2,688,640 | 3,448,640 |
| 1959 | 554,341 | 359,659 | 914,000 | 2,865,273 | 3,779,273 |
| 1960 | 561,922 | 404,078 | 966,000 | 2,576,785 | 3,542,785 |
| 1961 | 547,788 | 407,212 | 955,000 | 2,699,164 | 3,654,164 |
| 1962 | 581,562 | 324,438 | 906,000 | 2,591,267 | 3,497,267 |
| 1963 | 624,613 | 302,387 | 927,000 | 2,708,284 | 3,635,284 |
| 1964 | 679,670 | 316,330 | 996,000 | 2,864,452 | 3,860,452 |
| 1965 | 792,948 | 323,052 | 1,116,000 | 3,461,181 | 4,577,181 |
| 1966 | 813,682 | 318,318 | 1,132,000 | 3,878,451 | 5,010,451 |
| % incr./decr. '66 vs. 1st yr. | 70.9 | 34.4 | 58.8 | 88.5 | 80.8 |

[1] Allocation between real and personal property tax estimated, specific figures for each not available.

Source: State Board of Equalization and Annual Report of Financial Transactions, State of California.

TABLE NO. C-1a

ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME
1957 - 1966

COUNTY Trinity

STATE California

| | State Taxes ($000) | | | | Total State Taxes | | Local Property Taxes | | Total of State & Local Property Taxes | |
|---|---|---|---|---|---|---|---|---|---|---|
| YEAR | Sales & Gross Receipts (1) | Individual Income (2) | Other 1/ (3) | Total 1/ (4) | % of EBI (5) | Per Capita($) (6) | % of EBI (7) | Per Capita($) (8) | % of EBI (9) | Per Capita($) (10) |
| 1957 | 323 | 56 | 150 | 529 | 4.50 | 72.47 | 6.07 | 97.67 | 10.57 | 170.14 |
| 1958 | 393 | 73 | 194 | 660 | 4.33 | 70.97 | 4.99 | 81.72 | 9.32 | 152.69 |
| 1959 | 324 | 69 | 173 | 566 | 3.89 | 70.75 | 6.28 | 114.25 | 10.17 | 185.00 |
| 1960 | 379 | 116 | 218 | 713 | 3.92 | 71.30 | 5.31 | 96.60 | 9.23 | 167.90 |
| 1961 | 343 | 142 | 248 | 733 | 3.50 | 69.81 | 4.56 | 90.95 | 8.06 | 160.76 |
| 1962 | 314 | 155 | 255 | 724 | 3.32 | 66.42 | 4.16 | 83.12 | 7.48 | 149.54 |
| 1963 | 332 | 145 | 243 | 720 | 3.54 | 74.23 | 4.56 | 95.57 | 8.10 | 169.80 |
| 1964 | 384 | 176 | 270 | 830 | 3.79 | 82.18 | 4.55 | 98.62 | 8.34 | 180.80 |
| 1965 | 431 | 155 | 249 | 835 | 4.20 | 94.89 | 5.61 | 126.82 | 9.81 | 221.71 |
| 1966 | 446 | 182 | 266 | 894 | 3.97 | 100.45 | 5.03 | 127.19 | 9.00 | 227.64 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7)
Col. (10) = Col. (6) + Col. (8)

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Trinity

STATE California

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 880,542 | $ 931,370 | $ 699,272 | $ 2,511,184 | $ 344 |
| 1958 | 1,314,555 | 1,006,362 | 911,513 | 3,232,430 | 348 |
| 1959 | 1,347,951 | 1,142,562 | 1,447,955 | 3,938,468 | 492 |
| 1960 | 1,283,195 | 686,882 | 1,303,304 | 3,273,381 | 327 |
| 1961 | 1,386,062 | 1,183,221 | 1,114,473 | 3,683,756 | 351 |
| 1962 | 1,539,183 | 941,035 | 1,114,927 | 3,595,145 | 330 |
| 1963 | 1,681,006 | 743,273 | 1,779,620 | 4,203,899 | 433 |
| 1964 | 1,591,325 | 970,858 | 1,446,483 | 4,008,666 | 397 |
| 1965 | 1,549,982 | 1,529,815 | 1,468,230 | 4,548,027 | 517 |
| 1966 | 1,620,762 | 1,254,620 | 1,266,565 | 4,141,947 | 465 |
| % incr./decr.'66 vs. first year | 84.1 | 34.7 | 81.1 | 64.9 | 35.2 |
| % incr./decr.'66 vs. first year per capita | 50.4 | 10.2 | 47.9 | 35.2 | |

Source: Annual Report of Financial Transactions, State of California
Col. (5):Col. (4) divided by population estimates, Sales Management.

County Trinity

State California

TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential[2/] | (2) Commercial Industrial[2/] | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res.[2/] | (6) Personal | (7) Other[2/] | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ | $ | $ 746,080 | $ 7,230,375 | $ | $ 3,967,471 | $ | $11,943,926 |
| Aver. Tax Rate 59.7 mills | | | | | | | | |
| Item % of Total | | | 6.3 | 60.5 | | 33.2 | | 100.0 |
| 1958 Assessed Value | | | 847,880 | 7,490,210 | | 4,464,040 | | 12,802,130 |
| Aver. Tax Rate 59.4 mills | | | | | | | | |
| 1959 Assessed Value | | | 1,535,760 | 7,652,035 | | 5,954,619 | | 15,142,414 |
| Aver. Tax Rate 60.4 mills | | | | | | | | |
| 1960 Assessed Value | | | 1,766,580 | 7,552,360 | | 6,701,128 | | 16,020,068 |
| Aver. Tax Rate 60.3 mills | | | | | | | | |
| 1961 Assessed Value | | | 1,852,910 | 7,570,665 | | 6,996,770 | | 16,420,345 |
| Aver. Tax Rate 58.2 mills | | | | | | | | |
| 1962 Assessed Value | | | 1,753,860 | 7,959,605 | | 5,416,327 | | 15,129,792 |
| Aver. Tax Rate 59.9 mills | | | | | | | | |
| 1963 Assessed Value | | | 1,791,790 | 8,243,215 | | 4,853,724 | | 14,888,729 |
| Aver. Tax Rate 62.3 mills | | | | | | | | |
| 1964 Assessed Value | | | 1,787,770 | 8,776,350 | | 4,911,957 | | 15,476,077 |
| Aver. Tax Rate 64.4 mills | | | | | | | | |
| 1965 Assessed Value | | | 1,821,940 | 10,447,395 | | 4,993,076 | | 17,262,411 |
| Aver. Tax Rate 64.7 mills | | | | | | | | |
| 1966 Assessed Value[1/] | | | 1,654,150 | 10,801,315 | | 4,867,248 | | 17,322,713 |
| Aver. Tax Rate 65.4 mills | | | | | | | | |
| Item % of Total | | | 9.5 | 62.4 | | 28.1 | | 100.0 |
| Increase/Decrease '66 vs. '57 | | | 121.7 | 49.4 | | 22.7 | | 45.0 |

[1/] Assessed value represents 23.8 percent of actual market value in 1966.
[2/] Included in other items.
Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

C8-12

## TABLE NO. C-4
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = CALIFORNIA<br>COUNTY = TRINITY | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 438005 | 198940 | 396264 | 825564 | 330315 | 594149 | 575275 | 862032 | 754610 | 975531 |
| PERCENT BASE YEAR | 100.0 | 45.4 | 90.5 | 188.5 | 75.4 | 135.6 | 131.3 | 196.8 | 172.3 | 222.7 |
| PROGRAM ACREAGE | 1366170 | 1366182 | 1366208 | 1366173 | 1366973 | 1366965 | 1366941 | 1366992 | 1367275 | 1388072 |
| REVENUE $ PER ACRE | 0.32 | 0.15 | 0.29 | 0.60 | 0.24 | 0.43 | 0.42 | 0.63 | 0.55 | 0.70 |
| TAYLOR GRAZE SECT 15 * | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 216 | 238 | 268 | 211 | 383 | 362 | 350 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 110.2 | 124.1 | 97.7 | 177.3 | 167.6 | 162.0 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 438005 | 198940 | 396264 | 825780 | 330553 | 594417 | 575486 | 862415 | 754972 | 975881 |
| PERCENT BASE YEAR | 100.0 | 45.4 | 90.5 | 188.5 | 75.5 | 135.7 | 131.4 | 196.9 | 172.4 | 222.8 |
| PROGRAM ACREAGE | 1366170 | 1366182 | 1366208 | 1366173 | 1366973 | 1366965 | 1366941 | 1366992 | 1367275 | 1388072 |
| REVENUE $ PER ACRE | 0.32 | 0.15 | 0.29 | 0.60 | 0.24 | 0.43 | 0.42 | 0.63 | 0.55 | 0.70 |

NA = data not available.

*Total land available under program in 1966 was 66,760 acres.

Revenues per acre in dollars have been truncated to the nearest cent; e.g., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-6A
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ----- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = CALIFORNIA<br>COUNTY = TRINITY | | | | | | | | | | |
| TRINITY RIVER BASIN | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 0 | 708 | 3446 | 7840 | 9608 | 9739 | 9748 | 9746 | 9702 | 9509 |
| PERCENT BASE YEAR | 0.0 | 100.0 | 486.7 | 1107.3 | 1357.1 | 1375.6 | 1376.8 | 1376.5 | 1370.3 | 1343.1 |
| PROGRAM ACREAGE | 0 | 16991 | 19298 | 19729 | 19819 | 19817 | 19837 | 19835 | 19835 | 19835 |
| REVENUE $ PER ACRE | 0.00 | 0.04 | 0.18 | 0.40 | 0.48 | 0.49 | 0.49 | 0.49 | 0.49 | 0.48 |
| TOTAL ALL SECTION 10 &<br>NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 438005 | 199668 | 399710 | 833650 | 340161 | 604156 | 585234 | 872163 | 764674 | 985390 |
| PERCENT BASE YEAR | 100.0 | 45.6 | 91.3 | 190.3 | 77.7 | 137.9 | 133.6 | 199.1 | 174.6 | 225.0 |
| PROGRAM ACREAGE | 1366170 | 1383123 | 1385506 | 1385898 | 1386792 | 1386782 | 1386778 | 1386827 | 1387110 | 1407907 |
| REVENUE $ PER ACRE | 0.32 | 0.14 | 0.29 | 0.60 | 0.26 | 0.44 | 0.42 | 0.63 | 0.55 | 0.70 |

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY **Trinity**

STATE **California**

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 75,354 | $ 10,494 |
| 1958 | 92,981 | 12,949 |
| 1959 | 71,000 | 10,056 |
| 1960 | 903,781 | 124,794 |
| 1961 | 0 | 0 |
| 1962 | 75,667 | 12,103 |
| 1963 | 105,571 | 17,034 |
| 1964 | 87,523 | 14,196 |
| 1965 | 0 | 0 |
| 1966 | 155,860 | 25,083 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC

## TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Trinity

STATE: California

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Land, Rights-of-way, etc. | $ 34,840 |
| | Timbers & Stringers | 204 |
| | Road Signs | 263 |
| | Manpower | 260 |
| | Water & Sewage Hookup | 90 |
| | Construction Material (sand, gravel, stone, etc.) | 339 |
| | Borrow Pits | 250 |
| | Building Storage Space | 63 |
| | Road Improvement | 750 |
| BLM | Highways | 120 |
| B of R | Borrow Pits | 6,400 |
| | Flood Rehabilitation Program | 14,250 |
| | | $ 57,829 |

Source: Federal Agencies' Field Offices, ERSMC Estimates.

County Trinity

State California

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 1,253,968 | $ 907,782 | $ 2,161,750 |
| 1958 | 1,149,551 | 708,619 | 1,858,170 |
| 1959 | 1,377,339 | 995,391 | 2,372,730 |
| 1960 | 3,169,964 | 1,028,706 | 4,198,670 |
| 1961 | 2,192,712 | 1,089,658 | 3,282,370 |
| 1962 | 2,539,029 | 876,582 | 3,415,611 |
| 1963 | 2,796,788 | 1,469,862 | 4,266,650 |
| 1964 1/ | 2,405,326 | 3,262,090 | 5,667,416 |
| 1965 | 4,272,706 | 1,742,637 | 6,015,343 |
| 1966 | 4,515,448 | 2,385,922 | 6,901,370 |
| Average Year | 2,567,283 | 1,444,724 | 4,012,007 |
| Item % of Total, Average Year | 64.0 | 36.0 | 100.0 |

1/ The years 1964-66 include Bureau of Reclamation figures. For the period 1957-63 Bureau of Reclamation expenditures were applicable to the construction of Trinity River Basin Project, and are therefore not included.

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices

Federal Agency US Forest Service

Program Six Rivers, Mendocino, Shasta & Trinity National Forests

County Trinity

State California

TABLE NO. C-7a

Page 1 of 3

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 516,990 | $ 3,760 | $ 750 | $ 973,170 | $ 61,410 | $ 12,960 | $ 14,700 | $ 290 | $ 572,720 | $2,156,750 |
| 1958 | 520,450 | 9,130 | 540 | 546,050 | 59,740 | 12,680 | 76,520 | 790 | 626,270 | 1,852,170 |
| 1959 | 573,650 | 9,440 | 540 | 853,180 | 90,920 | 19,080 | 81,070 | 1,230 | 734.620 | 2,365,730 |
| 1960 | 2,211,060 | 10,260 | 160 | 462,340 | 144,840 | 6,830 | 112,410 | 990 | 1,240,780 | 4,189,670 |
| 1961 | 1,161,200 | 15,920 | 1,910 | 512,520 | 253,060 | 14,120 | 116,980 | 2,600 | 1,195,050 | 3,273,360 |
| 1962 | 1,445,840 | 23,170 | 17,390 | 542,230 | 252,590 | 15,900 | 161,120 | 7,370 | 937,001 | 3,402,611 |
| 1963 | 961,950 | 23,780 | 12,050 | 968,560 | 285,090 | 12,360 | 306,370 | 8,310 | 1,673,180 | 4,251,650 |
| 1964 | 643,910 | 29,080 | 5,870 | 874,450 | 412,550 | 7,180 | 190,090 | 10,320 | 1,338,180 | 3,511,630 |
| 1965 | 972,130 | 27,890 | 53,860 | 1,990,890 | 276,230 | 9,960 | 204,300 | 10,070 | 1,423,920 | 4,969,250 |
| 1966 | 811,290 | 27,080 | 129,080 | 1,199,240 | 271,260 | 27,840 | 724,410 | 15,150 | 2,541,480 | 5,746,830 |

Source: Federal Agencies' Field Offices

Federal Agency Interior - BLM

Program All

County Trinity

State California

TABLE NO. C-7a

Page 2 of 3

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ 1,250 | $ 1,250 | $ NA | $ NA | $ NA | $ 0 | $ NA | $ 2,500 | $ 5,000 |
| 1958 | NA | 1,200 | 1,200 | NA | NA | NA | 0 | NA | 3,600 | 6,000 |
| 1959 | NA | 1,400 | 1,400 | NA | NA | NA | 0 | NA | 4,200 | 7,000 |
| 1960 | NA | 2,250 | 2,250 | NA | NA | NA | 0 | NA | 4,500 | 9,000 |
| 1961 | NA | 1,800 | 1,800 | NA | NA | NA | 0 | NA | 5,400 | 9,000 |
| 1962 | NA | 1,859 | 1,859 | NA | NA | NA | 0 | NA | 9,282 | 13,000 |
| 1963 | NA | 2,145 | 2,145 | NA | NA | NA | 0 | NA | 10,710 | 15,000 |
| 1964 | NA | 4,576 | 2,288 | NA | NA | NA | 0 | NA | 9,136 | 16,000 |
| 1965 | NA | 2,618 | 1,309 | NA | NA | NA | 5,236 | NA | 7,837 | 17,000 |
| 1966 | NA | 2,576 | 1,295 | NA | NA | NA | 6,426 | NA | 7,705 | 18,000 |

Source: Federal Agencies' Field Offices

Federal Agency Bureau of Reclamation

Program Trinity River Basin Project

County Trinity

State California

TABLE NO. C-7a

FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ | $ | $ 261,827 | $ 1,099,984 | $ | $ | $ 23,804 | $ | $ 7,073,110 | $ 8,458,725 |
| 1958 | | | 530,143 | 2,268,844 | | | 177,780 | | 14,408,654 | 17,385,421 |
| 1959 | | | 822,139 | 3,453,965 | | | 229,086 | | 22,055,935 | 26,561,125 |
| 1960 | | | 786,481 | 3,305,000 | | | 265,091 | | 21,058,107 | 25,414,679 |
| 1961 | Not Applicable | Not Applicable | 396,315 | 1,673,400 | Not Applicable | Not Applicable | 176,165 | Not Applicable | 10,622,785 | 12,868,665 |
| 1962 | | | 310,606 | 1,306,915 | | | 825,137 | | 7,593,855 | 10,036,513 |
| 1963 | | | 119,929 | 303,843 | | | 947,927 | | 2,304,798 | 3,676,497 |
| 1964 | | | 58,028 | 243,786 | | | 187,412 | | 1,630,558 | 2,119,784 |
| 1965 | | | 21,268 | 89,351 | | | 18,314 | | 900,160 | 1,029,093 |
| 1966 | | | 21,836 | 91,735 | | | 265,370 | | 757,599 | 1,136,540 |

Note: Years prior to 1963 reflect construction costs of basin and dam.

Source: Federal Agencies' Field Offices

## TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Trinity

STATE California

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | | | | | | |
| Timberland | $ 4.00 | 1,309,302 | $ 5,237,208 | 64.4 | $ 337,276 | 26 c |
| Recreation | 100.00 | 38,644 | 3,864,400 | 64.4 | 248,867 | 644 |
| Grazing | 8.00 | 40,136 | 321,088 | 64.4 | 20,678 | 52 |
| BLM | | | | | | |
| Timberland - Class I | 4.00 | 24,822 | 99,288 | 64.4 | 6,394 | 26 |
| Timberland - Class II | 2.00 | 12,006 | 24,012 | 64.4 | 1,546 | 13 |
| Grazing | 8.00 | 26,642 | 213,136 | 64.4 | 13,726 | 52 |
| Special Purpose Land | 80.00 | 75 | 6,000 | 64.4 | 386 | 515 |
| Wasteland | 1.00 | 3,215 | 3,215 | 64.4 | 207 | 6 |
| Bureau of Reclamation | | | | | | |
| Timberland | 4.00 | 19,835 | 79,340 | 64.4 | 5,109 | 26 |
| Totals | $ 6.68 | 1,474,677 | $ 9,847,687 | 64.4 | $ 634,189 | 43 c |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency US Forest Service

Revenue Sharing Program Six Rivers, Mendocino, Shasta & Trinity National Forests (25%)[a]

TABLE NO. C-9

County Trinity

State California

THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 × a/) |
|---|---|---|---|---|---|
| 1957 | $ 1,891,070 | $ 139,042 | $ 1,752,028 | $ 438,007 | $ 34,760 |
| 1958 | 877,670 | 81,906 | 795,764 | 198,941 | 20,476 |
| 1959 | 1,731,381 | 146,317 | 1,585,064 | 396,266 | 36,579 |
| 1960 | 3,557,181 | 254,917 | 3,302,264 | 825,566 | 63,729 |
| 1961 | 1,453,892 | 132,624 | 1,321,268 | 330,317 | 33,156 |
| 1962 | 2,561,348 | 184,744 | 2,376,604 | 594,151 | 46,186 |
| 1963 | 2,501,078 | 199,970 | 2,301,108 | 575,277 | 49,992 |
| 1964 | 3,691,497 | 243,365 | 3,448,132 | 862,033 | 60,841 |
| 1965 | 3,280,447 | 262,003 | 3,018,444 | 754,611 | 65,501 |
| 1966 | 4,034,189 | 332,857 | 3,701,332 | 925,333 | 83,214 |

Source: Federal Agencies' Field Offices

County Trinity

State California

TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACTED AREAS

| | | P.L. 815 | | P.L. 874 | |
|---|---|---|---|---|---|
| Years | Total School Budget | Aid Provided | % of Total Budget | Aid Provided | % of Total Budget |
| 1957 | $ 880,542 | $ 345,650 | 39.25 | $ 9,907 | 1.13 |
| 1958 | 1,314,533 | 517,054 | 39.33 | 50,756 | 3.86 |
| 1959 | 1,347,951 | 528,699 | 39.22 | 66,796 | 4.96 |
| 1960 | 1,283,195 | 570,519 | 44.61 | 77,880 | 6.07 |
| 1961 | 1,386,042 | 570,519 | 41.16 | 73,710 | 5.32 |
| 1962 | 1,539,183 | 0 | 0 | 96,113 | 6.29 |
| 1963 | 1,681,006 | 0 | 0 | 38,333 | 2.29 |
| 1964 | 1,591,323 | 0 | 0 | 19,629 | 1.23 |
| 1965 | 1,549,902 | 0 | 0 | 15,298 | .99 |
| 1966 | 1,620,762 | 0 | 0 | 20,439 | 1.26 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports

# CASE COUNTY DIGEST
## FREMONT, COLORADO

### I. The County

a. General Description: Fremont is a medium-sized county in the central part of Colorado about equally distant from Denver and the New Mexico border. The county seat is Canon City. There are eight municipalities, three school districts, and five special districts in the county.

The municipalities are mostly self-sufficient in their conduct of public services, providing services such as tax assessment, street maintenance and construction, law enforcement, fire protection and sanitation. The county provides tax collection, legal services, veterans' affairs, and agricultural services for the municipalities along with normal county services such as assessment for county purposes, highway maintenance and construction, law enforcement, fire protection and welfare. As in all other counties in the state, the assessment of public utilities for tax purposes is performed by the State Tax Commission. The special districts are engaged in fire protection (2), recreation (1) and sanitation facilities (2).

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 20,196 | 1966 | 2 | 21,400 | 6.0 |
| Urban[1] | 1960 | 1 | 11,794 | 1966 | 2 | 12,600 | 6.8 |
| Rural | 1960 | 1 | 8,402 | 1966 | 2 | 8,800 | 4.7 |
| Employment | 1959 | 3 | 2,120 | 1966 | 3 | 2,185 | 3.1 |
| Effective Buying Income ($000) | 1960 | 2 | 27,096 | 1966 | 2 | 39,191 | 44.6 |
| Per Capita EBI ($) | 1960 | 2 | 1,335 | 1966 | 2 | 1,831 | 37.2 |
| Public School Enrollment (K-12) | 1960 | 4 | 3,715 | 1965 | 4 | 4,200 | 13.1 |

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[1] Includes areas of 2,500 people or more.

Sources: See page C9-2

These figures indicate a modest population growth during the 1960-1966 period which was fairly evenly distributed among the urban and rural population. The reported increase in employment is only about half the rate of the population increase; however, the larger increase in public school enrollment (K-12) indicates a substantial portion of the population growth among the younger age groups. Total effective buying income in the county increased quite sharply although the 1966 per capita EBI indicates a level which is still below average.

c. The Land: The county's total land area is just under one million acres. Slightly over 457,000 acres are in Federal ownership and subject to RS programs. In addition, county officials have reported an additional 42,40[illegible] acres as being in Federal ownership; however, such acrea[illegible]t identified by any of the land management agencies. The l[illegible]ject to RS programs is composed of the following:

| | |
|---|---|
| Forest Service (FS) | |
| San Isabel National Forest | 96,652 acres |
| Bureau of Land Management (BLM) | |
| Grazing District, TG-3 | 360,151[1/] acres |
| Outside Grazing District, TG-15 | 404 acres |
| Mineral Leasing | (included in "other" acreage) |
| Total | 475,207 acres |

## II. County Finance

a. Revenue: Table C-1 contains detailed revenue data for the years 1957-1966. It shows an increase in total receipts of $2.1 million or 82%. Slightly less than one-half of the increased receipts come from property tax collections which, in 1966, accounted for 49% of total county receipts.

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[1/] BLM Statistics, State Source, Colorado, 1966 shows 349,257 acres. The figures shown above were reported in BLM payment vouchers for 1966.

Sources:
1. U.S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U.S. Bureau of the Census, County Business Patterns (mid-March Employment covered by the Social Security Program), 1959 and 1966.
4. U. S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

During the period 1956-1966 the county's bonded indebtedness rose sharply from just over $800,000 to an outstanding debt of almost $6.7 million. The summary enclosed at the end of the case study digest contains detailed figures for the outstanding debt in 1966 by category. All of the refunding bonds were issued during 1963, 1964, 1965 and 1966.

Table C-1a shows a sharp rise in the per capita levy of combined state taxes and local property taxes. Over the 10-year period, a per capita increase of 53% is shown. However, as a percent of EBI, state taxes and local property taxes declined by 4%.

b. Expenditures: Table C-2 contains detailed expenditure data for the 10-year period. Of the increased amount, $1.7 million were applied to education for which the rate of increase equalled 225%. On a per capita basis, expenditures increased 80%.

c. Property Taxes: Table C-3 contains detailed data for the assessed value of property subject to taxes for the period 1957-1966. Total assessed value increased by 16% or $4.4 million. Residential and mineral, timber and other natural resources properties increased in assessed value by $3.5 million and $2.2 million respectively, showing the greatest rate of increase for all property categories. The assessed value of rural and personal properties declined by just under $2.3 million. In 1965, subsequent to the state audit equalization of assessment procedures and the removal of state property taxes, the county's weighted average tax rate declined marginally, but in 1966 it was raised again and attained an all-time high of 72.41 mills.

The only possessory interests in the county on Federal lands are grazing leases which the county has elected not to tax.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: Table C-4 contains acreage and payment data for the 10-year study period to the extent that they are available. It shows that only very small payments were made from each program and the total amount of the applicable programs. Total payments never exceeded $2,176 which was attained in 1961 and since that time fluctuated between less than $1,200 to just under $1900 per year. Obviously, these payments are an insignificant part of total county receipts.

b. Indirect Benefits: Fremont County obtained allocations from the BPR Sliding Scale Highway Aid program in each of the years from 1958. Table C-5 contains the property figures and shows that, although these allocations are also of relatively small magnitude, i.e., the share of payments attributable to the presence of public lands, in all but one of the years exceeded substantially the direct payments from RS programs.

c. Value of Free Goods and Services: The only free good obtained by the county from either of the Federal land management agencies is a tract of land for county road construction. Table C-6 contains an estimate of the annual value of this free use of land, $1,250.

d. Federal Facilities and Services Having Joint Use: The county has not participated in the use of any facilities constructed and/or maintained by the Federal land management agencies.

e. Resource Expenditures - Management: The Forest Service and BLM made resource program expenditures in each year during the 10-year study period. In relation to the land area, these expenditures were small, at least as compared with those in other Colorado counties. Table C-7 contains a summary of the resource program expenditures by both agencies. It shows that since 1957 total annual expenditures nearly tripled, with an average of almost $149,000 per year. Only 18% of the annual expenditures were for capital expenditures. Tables C-7a 1 and 2 contain detailed expenditure figures by expenditure category for the 10-year period.

The survey of management functions performed by the Federal agencies indicates that the Forest Service is involved in the full range of management functions applicable to national forests and national grasslands. BLM's activities cover the entire range of resources management including timber stand improvement and timber sales. While the Forest Service did not indicate that it has engaged in reforestation in Fremont County, BLM did so indicate.

## IV. Burdens to Local Government

a. Direct Burdens: County officials reported an annual burden of $30,400 for highway maintainance, which is specifically attributed to the presence of public lands.

b. Indirect Burden: Although, with the exception of some 500 acres, all Federal lands in the county have relatively low surface values, a considerable loss of property tax revenues results from their immunity to taxation by the county. Table No. C-8 contains an estimate of the sizable value and the potential tax revenue which might accrue to the county if the lands were in private ownership. It shows a tax revenue potential of almost $53,000, an average of 12¢/acre.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: Irrespective of the rather small receipts from the sale of timber and the fact that the forest is reportedly not engaged in reforestation in Fremont County, it made K-V Fund collections in each of the years during the 10-year period. While in 1957 the K-V Fund Collection amounted to 8% of gross receipts, by 1962 it had increased to 52% and the 1966 collection was equal to 27% of gross receipts. Table No. C-9 contains the appropriate figures for the 10-year period. It also shows that the revenue share "lost" in 1962 was 110% of the net payment to the county while in 1966 the revenue share "lost" declined to 37% of the net payment to the county.

d. Public Laws 815 and 874: Table No. C-10 shows the amounts obtained by the county under PL 874.

## V. Impact of Present System

a. County Finance: As stated before, the county's participation in the prevailing RS program has an insignificant financial impact. The only payments which might be considered as being significant to county finances are those under the BPR Sliding Scale program. Total direct benefits obtained by the county in 1966 are summarized as follows:

| | |
|---|---|
| Revenue Sharing (C-4) | $ 1,874 |
| Sliding Scale Payments (C-5) | 17,644 |
| Free Goods & Services (C-6) | 1,250 |
| Total Direct Benefits | $20,768 = 4¢/acre |

From these must be deducted the financial burdens resulting from the existence of public lands:

| | |
|---|---|
| Direct Burdens (IV. a.) | $30,400 |
| Resulting Net Direct Burden | $9,632 = 2¢/acre |

These figures show that the county is experiencing a net burden as a result of the presence of Federal lands within its jurisdiction. Considering the substantial amount of acreage, the payments are extremely small. If the state-determined allocation under BPR Sliding Scale were excluded from the comparison, the county's total revenue, both cash and in-kind, would barely exceed $3,000, less than 6% of the potential tax revenue if the lands were in private ownership.

b. The Overview: Officials in Fremont County have expressed both disillusionment and disappointment with the prevailing RS provisions and some of the Federal agency land management programs. The very low level of benefits received by the county from about 50% of its land area supports the contention of county officials that the present programs are not equitable for their county. Yet, some of the negative reaction is due to lack of communication and understanding as between Federal and county officials.

For example, it was indicated by county officials that while BLM is engaged in the sale of timber, the county does not participate in any revenue sharing from this source. This was found to be untrue. The timber sales program is conducted under the RS provisions for sale of lands and materials and the county does obtain 5% of the net receipts each year. Admittedly, this sharing provision is of much less value than that pertaining to timber sales from national forest lands.

In respect to land management programs, it was pointed out that whereas the FS had as its primary objective the protection of watersheds, it had recently become primarily interested in promoting the tourist trade. Although county officials recognize the indirect value of a growing tourist trade in the county, it is evident that neither one of these types of land users is likely to provide large direct RS payments. Relations with the FS were not improved when the county requested the granting of rights-of-way for road construction on forest lands which might have saved 80 miles of circuity, and the FS rejected this proposal.

Lastly, although the county government is comprised in part of members of the cattle industry, it was pointed out by county officials that they believe the current level of grazing fees is unduly low and that if they were raised to such levels as are typical for grazing on private lands, the county's revenues would at least be moderatley increased.

# FREMONT, COLORADO

## SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| Forest Service | Grazing | $ 0 | $ 0 |
| BLM | Grazing | 0 | 0 |
| | Total | 0 | 0 |

Source: Federal Agencies' Field Offices and County Tax Assessor.

## BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $3,315,000 | $2,377,000 |
| Roads | 306,000 | 192,500 |
| Water & Sanitation | 1,480,000 | 969,000 |
| Other - Pool | 69,000 | 69,000 |
| Refunding | 3,755,000 | 3,092,000 |
| Total | $8,925,000 | $6,699,500 |

Source: Fremont County Audit Reports

## TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Fremont

STATE Colorado

C9-8

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $1,134,248 | $ 148,838 | $ 1,283,086 | $ 1,346,449 | $ 2,629,535 |
| 1958 | 1,211,735 | 149,765 | 1,361,500 | 1,445,004 | 2,806,504 |
| 1959 | 1,450,888 | 194,110 | 1,644,998 | 1,465,249 | 3,110,247 |
| 1960 | 1,523,915 | 203,880 | 1,727,795 | 1,745,676 | 3,473,471 |
| 1961 | 1,718,871 | 225,553 | 1,944,424 | 1,901,187 | 3,845,611 |
| 1962 | 1,781,612 | 229,237 | 2,010,849 | 1,952,951 | 3,963,800 |
| 1963 | 1,852,908 | 236,052 | 2,088,960 | 1,861,631 | 3,950,591 |
| 1964 | 1,910,968 | 214,692 | 2,125,660 | 1,940,747 | 4,066,407 |
| 1965 | 1,947,431 | 209,192 | 2,156,623 | 2,180,991 | 4,337,614 |
| 1966 | 2,092,466 | 229,916 | 2,322,382 | 2,458,022 | 4,780,404 |
| % incr./decr. '66 vs. 1st yr. | 84.5 | 54.5 | 81.0 | 82.6 | 81.8 |

Source: Fremont County Audit Reports

## TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Fremont

STATE Colorado

C9-4

| | State Taxes ($000) | | | | Total State Taxes | | Local Property Taxes | | Total of State & Local Property Taxes | |
|---|---|---|---|---|---|---|---|---|---|---|
| YEAR | Sales & Gross Receipts (1) | Individual Income (2) | Other 1/ (3) | Total 1/ (4) | % of EBI (5) | Per Capita($) (6) | % of EBI (7) | Per Capita($) (8) | % of EBI (9) | Per Capita($) (10) |
| 1957 | 745 | 178 | 454 | 1,377 | 6.45 | 74.03 | 6.01 | 68.98 | 12.46 | 143.01 |
| 1958 | 752 | 201 | 479 | 1,432 | 5.84 | 73.81 | 5.56 | 70.18 | 11.40 | 143.99 |
| 1959 | 711 | 262 | 439 | 1,412 | 5.75 | 79.33 | 6.70 | 92.41 | 12.45 | 171.74 |
| 1960 | 789 | 268 | 530 | 1,587 | 5.86 | 78.18 | 6.38 | 85.11 | 12.24 | 163.29 |
| 1961 | 751 | 472 | 498 | 1,721 | 5.03 | 83.95 | 5.68 | 94.85 | 10.71 | 178.80 |
| 1962 | 804 | 502 | 490 | 1,796 | 5.24 | 87.18 | 5.87 | 97.61 | 11.11 | 184.79 |
| 1963 | 851 | 389 | 502 | 1,742 | 5.14 | 84.15 | 6.16 | 100.92 | 11.30 | 185.07 |
| 1964 | 910 | 435 | 497 | 1,842 | 4.98 | 88.13 | 5.74 | 101.71 | 10.72 | 189.84 |
| 1965 | 1,037 | 495 | 500 | 2,032 | 5.23 | 96.30 | 5.55 | 102.21 | 10.78 | 198.51 |
| 1966 | 1,336 | 551 | 489 | 2,376 | 6.06 | 111.03 | 5.93 | 108.52 | 11.99 | 219.55 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7)
Col. (10) = Col. (6) + Col. (8)

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Fremont

STATE Colorado

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 737,875 | $ 339,247 | $ 1,258,862 | $ 2,335,984 | $ 126 |
| 1958 | 1,087,305 | 330,616 | 1,071,185 | 2,489,106 | 128 |
| 1959 | 1,192,368 | 353,423 | 1,571,651 | 3,117,442 | 175 |
| 1960 | 1,445,275 | 387,254 | 1,451,460 | 3,283,989 | 162 |
| 1961 | 1,776,009 | 368,207 | 1,316,011 | 3,460,227 | 169 |
| 1962 | 1,825,769 | 235,510 | 1,712,066 | 3,773,345 | 183 |
| 1963 | 1,929,404 | 398,215 | 1,502,756 | 3,830,375 | 185 |
| 1964 | 2,084,185 | 396,113 | 1,485,482 | 3,965,780 | 190 |
| 1965 | 1,968,072 | 409,018 | 1,747,633 | 4,124,723 | 195 |
| 1966 | 2,398,998 | 664,119 | 1,796,306 | 4,859,423 | 227 |
| % incr./decr.'66 vs. first year | 225.1 | 95.8 | 42.8 | 108.0 | 80.2 |
| % incr./decr.'66 vs. first year per capita | 180.0 | 72.2 | 22.1 | 80.2 | |

Source: Fremont County Audit Reports
Col. (5): Col. (4) divided by population estimates, Sales Management.

County Fremont

State Colorado

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential | (2) Commercial, Industrial | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. | (6) Personal | (7) Other | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 6,054,120 | $ 6,547,825 | $6,363,700 | $4,744,125 | $ 473,460 | $3,171,820 | $ 0 | $27,355,050 |
| Aver. Tax Rate 50.39 mills | | | | | | | | |
| Item % of Total | 22.1 | 23.9 | 23.4 | 17.3 | 1.7 | 11.6 | 0 | 100.0 |
| 1958 Assessed Value | 6,268,990 | 6,511,495 | 6,508,720 | 5,052,475 | 459,660 | 3,078,170 | 0 | 27,879,510 |
| Aver. Tax Rate 52.38 mills | | | | | | | | |
| 1959 Assessed Value | 6,528,840 | 6,583,905 | 7,597,460 | 5,317,825 | 535,530 | 3,569,440 | 0 | 30,133,000 |
| Aver. Tax Rate 56.99 mills | | | | | | | | |
| 1960 Assessed Value | 6,841,950 | 6,647,425 | 7,281,480 | 5,670,485 | 529,220 | 3,600,270 | 0 | 30,570,830 |
| Aver. Tax Rate 58.12 mills | | | | | | | | |
| 1961 Assessed Value | 7,070,450 | 6,908,195 | 7,123,380 | 5,862,155 | 589,200 | 3,598,180 | 0 | 31,151,560 |
| Aver. Tax Rate 63.24 mills | | | | | | | | |
| 1962 Assessed Value | 7,008,860 | 6,867,355 | 6,955,330 | 5,954,995 | 539,060 | 3,501,900 | 0 | 30,827,500 |
| Aver. Tax Rate 66.58 mills | | | | | | | | |
| 1963 Assessed Value | 7,241,560 | 6,713,905 | 6,863,050 | 6,173,035 | 473,545 | 3,514,625 | 0 | 30,979,720 |
| Aver. Tax Rate 68.75 mills | | | | | | | | |
| 1964 Assessed Value | 7,405,340 | 6,647,565 | 7,035,350 | 6,418,725 | 437,405 | 3,148,525 | 48,380 | 31,141,290 |
| Aver. Tax Rate 69.56 mills | | | | | | | | |
| 1965 Assessed Value | 7,608,125 | 6,808,355 | 6,891,919 | 6,645,972 | 462,680 | 3,068,790 | 69,540 | 31,555,381 |
| Aver. Tax Rate 68.39 mills | | | | | | | | |
| 1966 Assessed Value[1/] | 9,567,985 | 7,095,705 | 6,715,170 | 2,489,155 | 2,704,985 | 3,133,420 | NA | 31,706,420 |
| Aver. Tax Rate 72.41 mills | | | | | | | | |
| Item % of Total | 30.2 | 22.4 | 21.2 | 7.8 | 8.5 | 9.9 | NA | 100.0 |
| Increase/Decrease '66 vs. '57 | 58.0 | 8.4 | 5.5 | (47.5) | 471.3 | (1.2) | NA | 15.9 |

[1/] Assessed value represents 30 percent of actual market value in 1966.

Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

C1-17

PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-4
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO | | | | | | | | | | |
| COUNTY = FREMONT | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 538 | 609 | 533 | 553 | 604 | 408 | 552 | 360 | 598 | 571 |
| PERCENT BASE YEAR | 100.0 | 113.2 | 99.1 | 102.8 | 112.3 | 75.8 | 102.6 | 66.9 | 111.2 | 106.1 |
| PROGRAM ACREAGE | 96652 | 96652 | 96652 | 96652 | 96652 | 96652 | 96652 | 96652 | 96652 | 96652 |
| REVENUE $ PER ACRE | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.00 | 0.01 | 0.00 | 0.01 | 0.01 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 2324 | 306 | 15 | 419 | 127 | 187 | 322 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 13.2 | 0.6 | 18.0 | 5.5 | 8.0 | 13.9 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 940 | 844 | 420 | 243 | 89 | 245 | 292 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 89.8 | 44.7 | 25.9 | 9.5 | 26.1 | 31.1 |
| TAYLOR GRAZE SECT 15* | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 0 | 0 | 16 | 0 | 0 | 6 | 28 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 | 37.5 | 175.0 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 544 | 420 | 458 | 566 | 601 | 586 | 659 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 77.2 | 84.2 | 104.0 | 110.5 | 107.7 | 121.1 |
| PROGRAM ACREAGE | NA | NA | NA | 344389 | 344389 | 344389 | 344389 | 344389 | 343954 | 360151 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 538 | 609 | 533 | 4361 | 2174 | 1317 | 1780 | 1177 | 1622 | 1872 |
| PERCENT BASE YEAR | 100.0 | 113.2 | 99.1 | 810.6 | 404.1 | 244.8 | 330.9 | 218.8 | 301.5 | 348.0 |
| PROGRAM ACREAGE | 96652 | 96652 | 96652 | 441041 | 441041 | 441041 | 441041 | 441041 | 440606 | 456803 |
| REVENUE $ PER ACRE | 0.01 | 0.01 | 0.01 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

NA = data not available. This county does not have any Nonsection 10 land programs.

*Total land available under program in 1966 was 404 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Fremont

STATE Colorado

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 0 | $ 0 |
| 1958 | 13,084 | 1,520 |
| 1959 | 223,352 | 25,940 |
| 1960 | 338,793 | 39,612 |
| 1961 | 29,925 | 3,812 |
| 1962 | 242,259 | 30,420 |
| 1963 | 2,799 | 343 |
| 1964 | 313,051 | 39,118 |
| 1965 | 40,056 | 5,024 |
| 1966 | 141,204 | 17,644 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Fremont

STATE: Colorado

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | None | $ 0 |
| BLM | Land | 1,250 |
| | Total | $ 1,250 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

County Fremont

State Colorado

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 66,607 | $ 13,396 | $ 80,003 |
| 1958 | 62,486 | 14,961 | 77,447 |
| 1959 | 93,887 | 15,164 | 109,051 |
| 1960 | 109,149 | 8,110 | 117,259 |
| 1961 | 126,139 | 13,289 | 139,428 |
| 1962 | 109,250 | 21,346 | 130,596 |
| 1963 | 164,929 | 33,182 | 198,111 |
| 1964 | 172,577 | 43,048 | 215,625 |
| 1965 | 145,175 | 48,002 | 193,177 |
| 1966 | 172,963 | 55,985 | 228,948 |
| Average Year | 122,316 | 26,648 | 148,964 |
| Item % of Total, Average Year | 82.1 | 17.9 | 100.0 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices

Federal Agency US Forest Service

Program San Isabel National Forest

County Fremont

State Colorado

TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 1,010 | $ 7,796 | $ 1,827 | $ 6,184 | $ 1,288 | $ 610 | $ 1,105 | $ 19 | $ 6,164 | $ 26,003 |
| 1958 | 780 | 11,203 | 1,416 | 9,908 | 543 | 792 | 5,225 | 45 | 3,535 | 33,447 |
| 1959 | 1,471 | 11,583 | 493 | 8,684 | 767 | 137 | 7,065 | 205 | 3,646 | 34,051 |
| 1960 | 842 | 12,123 | 517 | 8,627 | 834 | 88 | 5,429 | 89 | 4,710 | 33,259 |
| 1961 | 966 | 16,061 | 1,281 | 11,610 | 1,629 | 861 | 8,459 | 163 | 2,398 | 43,428 |
| 1962 | 1,427 | 12,442 | 2,389 | 11,890 | 4,259 | 941 | 13,322 | 1,048 | 6,878 | 54,596 |
| 1963 | 12,887 | 18,790 | 2,340 | 24,768 | 8,785 | 2,857 | 19,085 | 1,006 | 6,593 | 97,111 |
| 1964 | 13,242 | 13,234 | 6,932 | 31,167 | 7,407 | 3,717 | 18,969 | 984 | 11,973 | 107,625 |
| 1965 | 2,997 | 15,948 | 10,622 | 26,294 | 7,760 | 874 | 16,151 | 1,324 | 6,207 | 88,177 |
| 1966 | 3,599 | 17,222 | 16,170 | 33,029 | 9,060 | 482 | 16,179 | 1,125 | 9,082 | 105,948 |

Source: Federal Agencies' Field Offices

Federal Agency Interior - BLM

Program All

County Fremont

State Colorado

TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 19,386 | $ 9,668 | $ 0 | $ 0 | $ 0 | $ 0 | $ NA | $ 24,946 | $ 54,000 |
| 1958 | 1,011 | 13,993 | 5,985 | 0 | 2,022 | 0 | 0 | NA | 20,989 | 44,000 |
| 1959 | 1,951 | 31,575 | 27,673 | 0 | 0 | 0 | 0 | NA | 13,801 | 75,000 |
| 1960 | 2,438 | 44,437 | 34,607 | 0 | 0 | 0 | 0 | NA | 2,518 | 84,000 |
| 1961 | 2,400 | 45,600 | 28,800 | 0 | 0 | 0 | 0 | NA | 19,200 | 96,000 |
| 1962 | 1,443 | 22,951 | 11,476 | 1,443 | 4,330 | 2,816 | 0 | NA | 31,541 | 76,000 |
| 1963 | 6,562 | 24,441 | 16,263 | 1,617 | 11,412 | 37,471 | 0 | NA | 3,234 | 101,000 |
| 1964 | 5,076 | 31,753 | 12,741 | 2,588 | 10,153 | 25,383 | 0 | NA | 20,306 | 108,000 |
| 1965 | 4,830 | 34,968 | 12,074 | 7,245 | 15,745 | 8,404 | 18,064 | NA | 3,670 | 105,000 |
| 1966 | 4,799 | 37,391 | 12,055 | 4,799 | 15,738 | 3,571 | 25,337 | NA | 19,310 | 123,000 |

Source: Federal Agencies' Field Offices

C1-17

## TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Fremont

STATE Colorado

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | | | | | | |
| Timber, Grazing, Waste, etc. | $ 2.31 | 96,652 | $ 223,266 | 49.34 | $ 11,015 | 11¢ |
| BLM | | | | | | |
| Grazing | 2.31 | 319,111 | 737,146 | 49.34 | 36,371 | 11 |
| Meadows & Irrigated Pasture | 30.55 | 500 | 15,275 | 49.34 | 754 | 151 |
| Other (Timber, Waste, etc.) | 2.31 | 40,944 | 94,581 | 49.34 | 4,666 | 11 |
| Totals | $ 2.34 | 457,207 | $1,070,268 | 49.34 | $ 52,806 | 12¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Note: Figures in cols. 2, 3, 4 may not add due to rounding.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency US Forest Service
Revenue Sharing Program San Isabel National Forest (25% )a/
County Fremont
State Colorado

TABLE NO. C-9

THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 x a/) |
|---|---|---|---|---|---|
| 1957 | $ 2,336 | $ 183 | $ 2,153 | $ 538 | $ 46 |
| 1958 | 2,538 | 98 | 2,440 | 610 | 24 |
| 1959 | 2,217 | 84 | 2,133 | 533 | 21 |
| 1960 | 2,223 | 95 | 2,128 | 553 | 24 |
| 1961 | 2,721 | 305 | 2,416 | 604 | 76 |
| 1962 | 3,437 | 1,802 | 1,635 | 409 | 450 |
| 1963 | 3,564 | 1,352 | 2,212 | 553 | 338 |
| 1964 | 2,730 | 1,288 | 1,442 | 361 | 322 |
| 1965 | 3,579 | 1,186 | 2,393 | 598 | 296 |
| 1966 | 3,131 | 844 | 2,287 | 572 | 211 |

Source: Federal Agencies' Field Offices

C4-19

County Fremont

State Colorado

## TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACTED AREAS

| Years | Total School Budget | P.L. 815 Aid Provided | P.L. 815 % of Total Budget | P.L. 874 Aid Provided | P.L. 874 % of Total Budget |
|---|---|---|---|---|---|
| 1957 | $ 737,875 | $ 0 | 0 | $ 0 | 0 |
| 1958 | 1,087,305 | 0 | 0 | 0 | 0 |
| 1959 | 1,192,368 | 0 | 0 | 0 | 0 |
| 1960 | 1,445,275 | 0 | 0 | 0 | 0 |
| 1961 | 1,776,009 | 0 | 0 | 12,039 | .6 |
| 1962 | 1,825,769 | 0 | 0 | 10,248 | .6 |
| 1963 | 1,929,404 | 0 | 0 | 20,787 | 1.1 |
| 1964 | 2,084,185 | 0 | 0 | 27,970 | 1.3 |
| 1965 | 1,968,072 | 0 | 0 | 29,813 | 1.5 |
| 1966 | 2,398,998 | 0 | 0 | 34,263 | 1.4 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports

# CASE COUNTY DIGEST
# GRAND, COLORADO

## I. The County

a. General Description: Grand is a medium sized, sparsely populated county located in the north-central part of the state approximately 40 miles south of Wyoming. The county seat is Hot Sulphur Springs; there are five municipalities, two school districts and eight special districts. The special districts are engaged in fire protection, planning, and the operation of sanitation facilities; the municipalities have certain administrative, financial and other governmental functions including street maintenance, law enforcement, and fire protection. County government provides almost all governmental functions including all those mentioned above which are provided by the municipalities and the special districts. The county alone functions in the areas of assessments, tax collection, highway construction and maintenance, and welfare.

All assessments and collections are provided by the county except for public utilities which are assessed by the State Tax Commission.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 3,557 | 1966 | 2 | 3,600 | 1.2 |
| Urban[1] | 1960 | 1 | 0 | 1966 | 2 | 0 | 0 |
| Rural | 1960 | 1 | 3,557 | 1966 | 2 | 3,600 | 1.2 |
| Employment | 1959 | 3 | 599 | 1966 | 3 | 796 | 32.9 |
| Effective Buying Income ($000) | 1960 | 2 | 6,497 | 1966 | 2 | 8,063 | 24.1 |
| Per Capita EBI ($) | 1960 | 2 | 1,856 | 1966 | 2 | 2,240 | 20.7 |
| Public School Enrollment (K-12) | 1960 | 1 | 890 | 1965 | 4 | 1,300 | 46.1 |

---

[1] Includes areas of 2,500 people or more

Sources:
1. U.S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U.S. Bureau of the Census, County Business Patterns, (mid-March employment covered by the Social Security Program).
4. U.S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

Although the data show no material change in county population during the period 1959-1966, employment increased by about 200 persons or 33%. The rate of increase in total effective buying income was less than that in employment. Per capita EBI increased moderately during 1960-1966. The disproportionately small public school enrollment (K-12) in 1960 reached, by 1965, a figure more commensurate with the county's population, reflecting an increase in total public school enrollment of 46%.

c. The Land: The total county land area, according to the County Assessor, is 1,186,304 acres but the county data source indicates total acreage of 1,196,160. The former figure is used in this study. The Federal land acreage within this county was identified by the cognizant agencies as follows:

| | |
|---|---|
| Forest Service (FS) | |
| National Forests | 559,654 acres |
| Bureau of Land Management (BLM) | |
| Grazing District, TG-3 | 130,125 acres |
| Grazing Tracts, TG-15 | 18,509 acres |
| Mineral Leases | N.A. |
| Total Subject to RS | 708,288 acres |
| National Park Service (NPS) | |
| Rocky Mountain National Park and Shadow Mountain National Recreation Area | 110,430 acres |
| Bureau of Reclamation (B of R) | |
| Reclamation Project | 11,500 acres |
| Total Area not Applicable to PILT and RS Programs | 121,930 acres |
| Total Indicated Federal Land | 830,218 acres |

The county also contains over 69,000 acres of land owned by the state.

## II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the years 1957-1966. During this period total receipts rose $600,000 or 57%. About $320,000 of the increase stems from property taxes which in 1966 accounted for slightly less than 50% of total county receipts. The figures in column 4 of Table No. C-1 include payments obtained from the various RS programs which amounted to only a very small share of the total receipts.

During the 1956-1966 period the county increased its bonded indebtedness about $2 million. Details of the 1966 bonded indebtedness are contained in the summary at the end of the case study digest.

The estimates in Table No. C-1a indicate a substantial increase in per capita taxation. This increase over the 10-year period equals 73% while it amounted to an increase of 25% of the total EBI. The increased tax burden was almost evenly distributed between state and local taxes.

b. Expenditures: The rate of increase in total county expenditures, as shown in Table No. C-2, exceeded that for revenues. The increase in expenditures for education reflects the large increase in public school enrollment. On a per capita basis expenditures for education increased at a rate of 110% while those for highways and other expenditures increased at rates of 36% and 40% respectively.

c. Property Tax: Table No. C-3 contains detailed data for the assessed value of property subject to tax for the period 1957-1966. Total assessed value increased only 17% or approximately $1.8 million, of which over $1.1 million resulted from an increase in assessed value of commercial and industrial properties. Assessed values of public utilities and mineral, timber and other natural resources declined. The average county mill rate increased during the 10-year period from 44.5 mills to 62.2 mills. Included in the tax base are the assessed values of possessory interests on Federal lands. Of the various types of leases issued, only those relating to residential and commercial properties are being taxed by the county, and, as shown in the summary at the end of the case county digest, their estimated 1966 total assessed value was $107,685, yielding tax revenues of approximately $6,700. In addition, there are a small number of mineral leases not taxed by the county"during the study period".

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: As mentioned previously, revenue sharing payments have accured to the county from four programs. Additionally, there have been some revenues from the sale of public lands and materials. The magnitude of revenues from all but the national forest has been small both in absolute amounts and

and as a payment per acre of land. Table No. C-4 contains the detailed data on acreage and payments for the 10-year period to the extent that these are available. Total RS payments declined over the 10 years, varying from the high in 1960 of $43,000 to the low in 1964 of $15,645. In 1966 payment was $15,845, compared to the average payment of $23,527 for the years for which comparable data were available.

b. Indirect Benefits: Since the State of Colorado is eligible for the BPR Sliding Scale aid program, the county has benefited from allocations to the ABC program. Total Federal aid to the county and the share allocable to the presence of public lands for the 10-year period are shown in Table No. C-5. These payments varied from a high of $103,125 in 1962 to a low of $4,838 in 1958. The 1966 payment was $39,035, compared to the average payment of $43,285.

c. Value of Free Goods and Services: The Forest Service and BLM provided the county free of charge certain tracts of land for roads, water transmission, rights-of-way. They have also provided certain construction materials. An estimate of the annual value of these free goods and services is contained in Table No. C-6 which shows a total of $5,717.

d. Federal Facilities and Services Having Joint Use: According to the Forest Service certain roads in Grand County, constructed and maintained by the Forest Service, have a joint use with local government. Local government also benefits from fire control and insect detection flights paid for by the Forest Service. Based on an estimate of the rate of utilization of these roads and services by the county, the following indirect benefits have been calculated:

| Agency and Type of Service | Annual Value |
|---|---|
| Forest Service - Roads | $18,050 |
| - Fire Patrol | 75 |
| - Insect Detection Flights | 140 |
| - Total | $18,265 |

BLM has not identified any joint use of its facilities.

e. Resource Expenditures - Management: The FS and BLM have expended increasing amounts for their resource programs. A summary of their expenditures for the 10-year period 1957-1966 is contained in Table

No. C-7. The 1966 expenditures represent an all-time high, $647,200, and are almost 50% more than the average annual payment during the 10-year period. Of the 10-year expenditures, 33% was allocated to capital items and the balance was allocated to administrative and operating expenses.

Tables Nos. C-7a1 and 2 contain the details of the resource expenditure by agency and expense category, also for the 10-year period.

Additionally, the National Park Service makes substantial resource expenditures in the management of the national park and recreation areas but these expenditures apply to lands not subject to revenue sharing provisions.

The resource management programs of the FS and BLM cover all conventional management areas with considerable overlapping in the reported activities of the two agencies.

## IV. Burdens to Local Government

a. Direct Burdens: The presence of public lands, according to local government officials, causes financial burdens relating to the maintenance of highways, law enforcement and welfare activities. Discussions with local government officials and a review of their records indicated the following annual burdens, for which no reimbursements are made by Federal agencies:

| | |
|---|---|
| Maintenance of Roads | $11,600 |
| Law Enforcement | 11,200 |
| Welfare | 3,500 |
| Total | $26,300 |

b. Indirect Burden: The loss of tax revenue from the Federal lands subject to PILT and RS has been estimated and the results are shown in Table No. C-8. It shows an estimate of the total assessable value of $4.2 million and a potential tax revenue of$207,336, equal to a tax revenue of 29¢/acre.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: The Forest Service made K-V Fund collections in each of the years during the 10-year period. These are shown in Table No. C-9 which also shows the resulting "loss" in revenue sharing payments. These "losses" varied from a low of $1,367 in 1958 to a high of $9,480 in 1964. The 1966 "loss" was $6,237 and represented about 60%

of the amount paid the county under Forest Fund RS programs. This is an unusually high reduction although in Grand County in 1964, as shown in Table No. C-9, the "loss" exceeded the actual amount paid.

d. Public Laws 815 and 874: Table No. C-10 contains data relating to aid obtained by the county under PL 874 during the period 1957-1966.

## V. Impact of Present System

a. County Finance: The impact of the present system upon county finance is quite unfavorable since the lands produce total net benefits which are much smaller than those which might result if they were in private ownership. The following summary provides an analysis of the existing and potential situations. The net benefit is composed of the following items (1966 figures):

| | |
|---|---|
| Revenue Sharing (C-4) | $15,845 |
| Sliding Scale Payments (C-5) | 39,035 |
| Free Goods and Services (C-6) | 5,717 |
| Value of Joint Use Facilities (III.d.) | 18,265 |
| Total Direct Benefits | $78,862 |

From these must be deducted the financial burdens resulting from the public lands:

| | |
|---|---|
| Direct Burdens (IV.c.) | $26,300 |
| Resulting Net Benefits | $52,562 = 7¢/acre |

The above results compared with the potential tax revenue as estimated in Table No. C-8 shows that the existing system produces approximately one-fifth or about 21% of the potential revenues if the lands were in private ownership.

While the financial burdens upon Grand County might well relate to all Federal land therein, it has been related here only to lands subject to the RS programs. However, if these total net benefits were related to the total Federal acreage in the county, the result in terms of net benefit per acre would be further reduced while potential tax revenues from the non-RS participating acreage would have to be added to the comparative analysis.

b. The Overview: It is the impression among county officials that the presence of such a large quantity of public land in their county has retarded its economic development. While there is general satisfaction with the efforts expended by Federal agencies in their land management programs, it is asserted that these programs lack the necessary efforts which would maximize economic activity upon the lands with a resulting increase in the RS payments. It is also asserted that too large collections for the K-V Fund have unnecessarily reduced the amounts available for RS. This assertion is supported by the fact that the national average for K-V collections as related to the value of timber cut was 11% in 1966 while the collection in Grand County in that year was approximately 38% of the value of the timber cut.

Further dissatisfaction with the existing system is demonstrated by its unfavorable comparison with the payment provided by the state on state-owned lands. Reportedly, on slightly less than 62,000 acres of land owned by the State of Colorado, an annual payment of $15,400 is made to the county which results in a tax equivalent of about 25¢/acre. As stated, the net benefit from the Federal RS program amounts to only 6¢/acre. County officials have also pointed out that the two towns located in the county would like to acquire Federal lands nearby for development of golf courses and parks. However, due to the requirement that when such lands are purchased they must be developed within a short period of time and since capital funds are not available to meet timing requirements of the Federal regulations, these programs and the relating land acquisitions have not been undertaken.

## GRAND, COLORADO

### SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation[1] | Total Tax Revenue |
|---|---|---|---|
| Forest Service | Residential | $ 17,219 | $1,071 |
| | Commercial | 90,466 | 5,627 |
| | Recreational | 0 | 0 |
| | Right-of-Way | 0 | 0 |
| | Grazing | 0 | 0 |
| | Public Utility | 0 | 0 |
| BLM | Grazing | 0 | 0 |
| | Total | $107,685 | $6,698 |

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1/ Estimated tax revenue divided by average millage rate.

Source: Federal Agencies' Field Offices and County Tax Assessor.

### BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $1,930,000 | $1,524,000 |
| Fire Protection | 55,000 | 24,000 |
| Recreation | 120,000 | 110,000 |
| Water & Sanitation | 1,371,000 | 900,780 |
| Total | $3,476,000 | $2,558,780 |

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Source: Grand County Audit Reports.

(10-8

TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Grand

STATE Colorado

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 424,248 | $ 66,780 | $ 491,028 | $ 579,362 | $ 1,070,390 |
| 1958 | 417,703 | 67,434 | 485,137 | 547,394 | 1,032,531 |
| 1959 | 476,302 | 78,182 | 554,484 | 545,372 | 1,099,856 |
| 1960 | 477,682 | 76,474 | 554,156 | 619,820 | 1,173,976 |
| 1961 | 513,467 | 78,085 | 591,552 | 633,307 | 1,224,859 |
| 1962 | 523,311 | 76,816 | 600,127 | 649,568 | 1,249,695 |
| 1963 | 546,208 | 88,180 | 634,388 | 678,678 | 1,313,066 |
| 1964 | 578,407 | 99,679 | 678,086 | 702,987 | 1,381,073 |
| 1965 | 646,062 | 100,831 | 746,893 | 769,122 | 1,516,015 |
| 1966 | 711,275 | 102,541 | 813,816 | 865,776 | 1,679,592 |
| % incr./decr. '66 vs. 1st yr. | 67.7 | 53.6 | 65.7 | 49.4 | 56.9 |

Source: Grand County Audit Reports

## TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Grand

STATE Colorado

| | State Taxes ($000) | | | | Total State Taxes | | Local Property Taxes | | Total of State & Local Property Taxes | |
|---|---|---|---|---|---|---|---|---|---|---|
| YEAR | Sales & Gross Receipts (1) | Individual Income (2) | Other 1/ (3) | Total 1/ (4) | % of EBI (5) | Per Capita($) (6) | % of EBI (7) | Per Capita($) (8) | % of EBI (9) | Per Capita($) (10) |
| 1957 | 255 | 51 | 93 | 399 | 6.48 | 105.00 | 7.98 | 129.22 | 14.46 | 234.22 |
| 1958 | 263 | 59 | 101 | 423 | 5.88 | 103.17 | 6.75 | 118.33 | 12.63 | 221.50 |
| 1959 | 251 | 83 | 101 | 435 | 5.56 | 106.10 | 7.09 | 135.24 | 12.65 | 241.34 |
| 1960 | 248 | 64 | 91 | 403 | 6.20 | 115.14 | 8.37 | 155.47 | 14.57 | 270.61 |
| 1961 | 239 | 84 | 85 | 408 | 6.69 | 116.57 | 9.70 | 169.01 | 16.39 | 285.58 |
| 1962 | 261 | 86 | 81 | 428 | 7.28 | 125.88 | 10.24 | 177.10 | 17.52 | 302.98 |
| 1963 | 272 | 69 | 85 | 426 | 7.11 | 121.71 | 10.59 | 181.25 | 17.70 | 302.96 |
| 1964 | 363 | 76 | 83 | 522 | 8.05 | 149.14 | 10.46 | 193.74 | 18.51 | 342.88 |
| 1965 | 359 | 85 | 83 | 527 | 7.88 | 15[illegible]57 | 11.17 | 213.40 | 19.05 | 363.97 |
| 1966 | 454 | 113 | 82 | 649 | 8.05 | 180.28 | 10.09 | 226.06 | 18.14 | 406.34 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7)
Col. (10) = Col. (6) + Col. (8)

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## TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Grand

STATE Colorado

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 433,571 | $ 165,936 | $ 316,815 | $ 916,322 | $ 241 |
| 1958 | 434,918 | 178,610 | 339,908 | 953,436 | 233 |
| 1959 | 485,409 | 134,654 | 342,760 | 962,823 | 235 |
| 1960 | 534,037 | 197,380 | 340,800 | 1,072,217 | 306 |
| 1961 | 610,835 | 270,821 | 331,884 | 1,213,540 | 347 |
| 1962 | 614,281 | 253,968 | 464,006 | 1,332,255 | 392 |
| 1963 | 638,467 | 200,956 | 406,050 | 1,245,473 | 356 |
| 1964 | 718,502 | 241,056 | 336,493 | 1,296,051 | 370 |
| 1965 | 846,279 | 265,399 | 351,090 | 1,462,768 | 418 |
| 1966 | 862,328 | 214,338 | 416,626 | 1,493,292 | 415 |
| % incr./decr.'66 vs. first year | 98.9 | 29.2 | 31.5 | 63.0 | 72.2 |
| % incr./decr.'66 vs. first year per capita | 110.5 | 36.4 | 39.8 | 72.2 | |

Source: Grand County Audit Reports
Col. (5): Col. (4) divided by population estimates, Sales Management.

County Grand

State Colorado

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential | (2) Commercial, Industrial | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. | (6) Personal | (7) Other 2/ | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $1,621,160 | $1,945,095 | $ 3,041,150 | $3,010,575 | $ 44,260 | $1,564,910 | $ | $ 11,227,150 |
| Aver. Tax Rate 44.5 mills | | | | | | | | |
| Item % of Total | 14.5 | 17.3 | 27.1 | 26.8 | 0.4 | 13.9 | | 100.0 |
| 1958 Assessed Value | 1,725,990 | 2,077,300 | 2,904,700 | 3,047,145 | 40,895 | 1,604,485 | | 11,400,515 |
| Aver. Tax Rate 43.0 mills | | | | | | | | |
| 1959 Assessed Value | 1,752,850 | 2,239,225 | 2,775,000 | 3,076,255 | 39,725 | 1,576,685 | | 11,459,740 |
| Aver. Tax Rate 48.9 mills | | | | | | | | |
| 1960 Assessed Value | 1,890,710 | 2,319,880 | 2,742,850 | 3,142,860 | 36,195 | 1,540,940 | | 11,673,435 |
| Aver. Tax Rate 48.0 mills | | | | | | | | |
| 1961 Assessed Value | 2,093,155 | 2,323,690 | 2,616,090 | 3,218,020 | 41,110 | 1,506,015 | | 11,798,080 |
| Aver. Tax Rate 50.9 mills | | | | | | | | |
| 1962 Assessed Value | 1,906,805 | 2,277,035 | 2,503,540 | 3,232,295 | 41,390 | 1,608,705 | | 11,569,770 |
| Aver. Tax Rate 52.2 mills | | | | | | | | |
| 1963 Assessed Value | 1,823,630 | 2,412,405 | 2,403,650 | 3,441,085 | 41,475 | 1,739,420 | | 11,861,665 |
| Aver. Tax Rate 54.0 mills | | | | | | | | |
| 1964 Assessed Value | 1,943,590 | 2,367,952 | 2,352,360 | 3,599,778 | 41,415 | 1,607,920 | | 11,913,015 |
| Aver. Tax Rate 57.3 mills | | | | | | | | |
| 1965 Assessed Value | 2,023,850 | 2,527,585 | 2,590,722 | 3,716,050 | 41,235 | 1,568,510 | | 12,466,952 |
| Aver. Tax Rate 60.2 mills | | | | | | | | |
| 1966 Assessed Value 1/ | 2,484,955 | 3,071,035 | 2,572,200 | 3,210,390 | 17,095 | 1,744,105 | | 13,099,780 |
| Aver. Tax Rate 62.2 mills | | | | | | | | |
| Item % of Total | 19.0 | 23.5 | 19.6 | 24.5 | 0.1 | 13.3 | | 100.0 |
| Increase/Decrease '66 vs. '57 | 53.2 | 15.8 | (15.5) | 10.7 | (61.4) | 11.4 | | 16.7 |

1/Assessed value represents 25-35 percent of actual market value in 1966.
2/Included in other items.
Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

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PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO<br>COUNTY = GRAND | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 18459 | 16999 | 22387 | 23297 | 17021 | 10022 | 10675 | 8634 | 12426 | 10467 |
| PERCENT BASE YEAR | 100.0 | 92.1 | 121.3 | 126.2 | 92.2 | 54.3 | 57.8 | 46.8 | 67.3 | 56.7 |
| PROGRAM ACREAGE | 549880 | 549900 | 549900 | 549900 | 549904 | 549904 | 550024 | 550024 | 550024 | 559654 |
| REVENUE $ PER ACRE | 0.03 | 0.03 | 0.04 | 0.04 | 0.03 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 18567 | 14491 | 11449 | 5441 | 6019 | 4532 | 4467 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 78.0 | 61.7 | 29.3 | 32.4 | 24.4 | 24.1 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 655 | 835 | 531 | 231 | 269 | 129 | 121 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 127.5 | 81.1 | 35.3 | 41.1 | 19.7 | 18.5 |
| TAYLOR GRAZE SECT 15* | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 250 | 261 | 308 | 335 | 405 | 410 | 419 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 104.4 | 123.2 | 134.0 | 162.0 | 164.0 | 167.6 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 273 | 217 | 226 | 319 | 314 | 288 | 367 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 79.5 | 82.8 | 116.8 | 115.0 | 105.5 | 134.4 |
| PROGRAM ACREAGE | NA | NA | NA | 113628 | 113508 | 113508 | 113508 | 113259 | 113259 | 130125 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 18459 | 16999 | 22387 | 43042 | 32825 | 22536 | 17001 | 15641 | 17785 | 15841 |
| PERCENT BASE YEAR | 100.0 | 92.1 | 121.3 | 233.2 | 177.8 | 122.1 | 92.1 | 84.7 | 96.3 | 85.8 |
| PROGRAM ACREAGE | 549880 | 549900 | 549900 | 663528 | 663412 | 663412 | 663532 | 663283 | 663283 | 689779 |
| REVENUE $ PER ACRE | 0.03 | 0.03 | 0.04 | 0.06 | 0.05 | 0.03 | 0.03 | 0.02 | 0.03 | 0.02 |

NA = data not available. This county does not have any Nonsection 10 land programs.

*Total land available under program in 1966 was 18,509 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

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## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Grand

STATE Colorado

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 85,618 | $ 9,944 |
| 1958 | 41,654 | 4,838 |
| 1959 | 178,596 | 20,742 |
| 1960 | 315,125 | 36,844 |
| 1961 | 569,993 | 72,617 |
| 1962 | 821,267 | 103,125 |
| 1963 | 640,567 | 78,568 |
| 1964 | 195,204 | 24,392 |
| 1965 | 340,815 | 42,743 |
| 1966 | 312,387 | 39,035 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC

C10-14

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Grand

STATE: Colorado

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Roads | $ 1,349 |
| | Water Transmission | 6 |
| BLM | Construction Material | 3,750 |
| | Rights-of-way | 612 |
| | Total | $ 5,717 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

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County Grand

State Colorado

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 144,005 | $ 114,301 | $ 258,306 |
| 1958 | 155,695 | 55,238 | 210,933 |
| 1959 | 208,740 | 100,373 | 309,113 |
| 1960 | 260,592 | 65,618 | 326,210 |
| 1961 | 216,455 | 126,164 | 342,619 |
| 1962 | 241,710 | 99,467 | 341,177 |
| 1963 | 578,280 | 135,610 | 713,890 |
| 1964 | 357,822 | 264,245 | 622,067 |
| 1965 | 388,725 | 247,542 | 636,267 |
| 1966 | 388,704 | 258,505 | 647,209 |
| Average Year | 294,073 | 146,706 | 440,779 |
| Item % of Total, Average Year | 66.7 | 33.3 | 100.0 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices

Federal Agency US Forest Service

Program Routt & Arapaho National Forests

County Grand

State Colorado

TABLE NO. C-7a

Page 1 of 2

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 12,454 | $ 3,680 | $ 2,186 | $ 112,162 | $ 25,418 | $ 54 | $ 11,206 | $ 250 | $ 50,896 | $ 218,306 |
| 1958 | 4,410 | 12,842 | 18 | 43,328 | 24,217 | 19 | 54,117 | 64 | 38,918 | 177,933 |
| 1959 | 8,614 | 14,801 | 60 | 92,205 | 37,245 | 21 | 62,829 | 312 | 37,026 | 253,113 |
| 1960 | 8,484 | 14,816 | 243 | 93,167 | 33,341 | 21,092 | 51,953 | 528 | 39,586 | 263,210 |
| 1961 | 21,926 | 17,870 | 852 | 64,279 | 47,356 | 17,528 | 80,498 | 2,686 | 17,624 | 270,619 |
| 1962 | 9,051 | 18,760 | 7,224 | 50,814 | 44,631 | 6,135 | 116,167 | 9,187 | 22,208 | 284,177 |
| 1963 | 199,498 | 22,494 | 15,903 | 78,200 | 71,719 | 1,730 | 176,383 | 3,665 | 68,298 | 637,890 |
| 1964 | 19,653 | 23,916 | 14,380 | 150,960 | 67,328 | 2,412 | 138,406 | 2,597 | 121,415 | 541,067 |
| 1965 | 26,039 | 24,874 | 14,717 | 219,586 | 59,796 | 785 | 146,812 | 2,983 | 61,675 | 557,267 |
| 1966 | 9,380 | 25,012 | 19,080 | 213,050 | 67,798 | 2,297 | 141,941 | 4,056 | 72,595 | 555,209 |

Source: Federal Agencies' Field Offices

Federal Agency Interior - BLM

Program All

County Grand

State Colorado

TABLE NO. C-7a

Page 2 of 2

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 14,679 | $ 6,679 | $ 0 | $ 0 | $ 0 | $ 0 | $ NA | $ 18,642 | $ 40,000 |
| 1958 | 0 | 9,999 | 3,994 | 0 | 2,012 | 0 | 0 | NA | 16,995 | 33,000 |
| 1959 | 0 | 23,130 | 21,278 | 0 | 0 | 0 | 0 | NA | 11,592 | 56,000 |
| 1960 | 0 | 25,200 | 27,720 | 0 | 0 | 0 | 0 | NA | 10,080 | 63,000 |
| 1961 | 0 | 33,623 | 21,600 | 0 | 0 | 0 | 0 | NA | 16,777 | 72,000 |
| 1962 | 0 | 17,555 | 8,777 | 1,480 | 2,908 | 1,481 | 0 | NA | 24,799 | 57,000 |
| 1963 | 3,650 | 13,455 | 9,804 | 1,217 | 6,154 | 20,825 | 0 | NA | 20,895 | 76,000 |
| 1964 | 3,886 | 24,385 | 10,287 | 2,590 | 7,696 | 19,279 | 0 | NA | 12,877 | 81,000 |
| 1965 | 3,712 | 27,102 | 9,875 | 4,974 | 11,136 | 6,163 | 6,163 | NA | 9,875 | 79,000 |
| 1966 | 3,588 | 27,506 | 8,371 | 3,588 | 10,763 | 2,392 | 7,175 | NA | 28,617 | 92,000 |

Source: Federal Agencies' Field Offices

## TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Grand

STATE Colorado

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 x 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 x 5) (6) | Estimated Tax Per Acre (Col. 2 x 5) (7) |
|---|---|---|---|---|---|---|
| **Forest Service** | | | | | | |
| Waste, Cutover, etc. | $ 2.00 | 239,455 | $ 478,910 | 49.6 | $ 23,754 | 10c |
| Grazing | 3.00 | 75,636 | 226,908 | 49.6 | 11,254 | 15 |
| Mineral Reserves | 1.00 | 42,478 | 42,478 | 49.6 | 2,107 | 5 |
| Timber | 12.00 | 201,563 | 2,418,756 | 49.6 | 119,970 | 59 |
| Mountain Home Site | 48.00 | 15 | 720 | 49.6 | 36 | 238 |
| Commercial | 150.00 | 507 | 76,050 | 49.6 | 3,772 | 744 |
| **BLM** | | | | | | |
| Grazing | 3.00 | 94,139 | 282,417 | 49.6 | 14,009 | 15 |
| | 12.00 | 54,495 | 653,940 | 49.6 | 32,435 | 59 |
| Totals | $ 5.90 | 708,288 | $ 4,180,179 | 49.6 | $ 207,336 | 29c |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies

Source: Col. (1) Federal Agencies' Field Offices; Col. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency US Forest Service

Revenue Sharing Program Routt & Arapaho National Forests (25%)a/

County Grand

State Colorado

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 x a/) |
|---|---|---|---|---|---|
| 1957 | $ 80,095 | $ 6,258 | $ 78,837 | $ 18,459 | $ 1,564 |
| 1958 | 73,469 | 5,469 | 68,000 | 17,000 | 1,367 |
| 1959 | 110,752 | 21,203 | 89,549 | 22,387 | 5,301 |
| 1960 | 112,152 | 18,962 | 93,190 | 23,298 | 4,740 |
| 1961 | 86,162 | 18,072 | 68,090 | 17,022 | 4,518 |
| 1962 | 58,934 | 18,843 | 40,091 | 10,023 | 4,711 |
| 1963 | 74,003 | 31,298 | 42,705 | 10,676 | 7,824 |
| 1964 | 72,462 | 37,923 | 34,539 | 8,635 | 9,480 |
| 1965 | 67,808 | 18,098 | 49,710 | 12,427 | 4,524 |
| 1966 | 66,821 | 24,948 | 41,873 | 10,468 | 6,237 |

Source Federal Agencies' Field Offices

C13-23

County Grand

State Colorado

## TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACTED AREAS

| Years | Total School Budget | P.L. 815<br>Aid Provided | P.L. 815<br>% of Total Budget | P.L. 874<br>Aid Provided | P.L. 874<br>% of Total Budget |
|---|---|---|---|---|---|
| 1957 | $ 433,571 | $ 0 | 0 | $ 8,703 | 2.01 |
| 1958 | 434,918 | 0 | 0 | 12,996 | 2.99 |
| 1959 | 485,409 | 0 | 0 | 6,482 | 1.34 |
| 1960 | 534,037 | 0 | 0 | 8,925 | 1.67 |
| 1961 | 610,835 | 0 | 0 | 14,329 | 2.35 |
| 1962 | 614,281 | 0 | 0 | 29,584 | 4.82 |
| 1963 | 638,467 | 0 | 0 | 30,405 | 4.76 |
| 1964 | 718,502 | 0 | 0 | 21,068 | 2.93 |
| 1965 | 846,279 | 0 | 0 | 23,695 | 2.80 |
| 1966 | 862,328 | 0 | 0 | 29,328 | 3.40 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports

C10-21

## CASE COUNTY DIGEST
## GUNNISON, COLORADO

### I. The County

a. General Description: Gunnison is one of the largest Colorado counties and, as many others, is sparsely populated. It is located in the west-central part of the state, some 85 miles north of the New Mexico border. The county seat is the municipality of Gunnison, and the county contains a total of three municipalities, two school districts and 12 special districts. While one-half of these special districts are engaged in resources development, five others are engaged in water supply and conservation, and one is a cemetery district. All finance, tax and assessment-related activities are provided by the county government while the municipalities deal in strictly local functions, including law enforcement, public safety, street maintenance and construction, resource development, refuse collection and utility operation. The county also provides highway maintenance, welfare service, hospital facilities and fire protection for all its levels of government. As in all other Colorado counties, assessment of public utilities is performed by the State Tax Commission.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 5,477 | 1966 | 2 | 6,900 | 26.0 |
| Urban [1] | 1960 | 1 | 3,478 | 1966 | 2 | 4,300 | 23.6 |
| Rural | 1960 | 1 | 1,999 | 1966 | 2 | 2,600 | 30.1 |
| Employment | 1959 | 3 | 842 | 1966 | 3 | 1,180 | 40.1 |
| Effective Buying Income ($000) | 1960 | 2 | 10,113 | 1966 | 2 | 16,225 | 60.4 |
| Per Capita EBI ($) | 1960 | 2 | 1,839 | 1966 | 2 | 2,351 | 27.8 |
| Public School Enrollment (K-12) | 1960 | 1 | 941 | 1965 | 4 | 1,700 | 80.7 |

---

[1] Includes areas of 2,500 people or more.

Sources: See Page C11-2.

These figures reflect growth in all items, with the largest rates of growth during the 1960-1966 period having occurred in total effective buying income and public school enrollment (K-12). The county's rural population seems to be growing at a rate faster than its urban centers. This growth is thought to be a temporary condition due to the construction on the Blue Mesa and Curecanti Projects in the outlying areas. The per capita EBI for 1966 is slightly higher than in other Colorado counties.

c. The Land: Gunnison has a total land area of 2.1 million acres, with over three-fourths of it in Federal ownership subject to RS programs. The Federal land acreage is composed of (1966) figures:

| | |
|---|---|
| Forest Service (FS) | |
| White River, Grand Mesa and Uncompahgre National Forests | 1,253,873 acres |
| Bureau of Land Management (BLM) | |
| Inside Grazing, TG-3 | 370,076 acres |
| Mineral Leasing | NA |
| Total | 1,623,949 acres |

In addition, the National Park Service also controls an unknown quantity of Federal land to which no PILT or RS programs are applicable.

## II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the period 1957-1966. It shows that total receipts during the 10-year period have more than doubled with the increase almost evenly divided between property taxes and non-property receipts.

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Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U. S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U. S. Department of Health, Education and Welfare, Office of Education, Education Directory, Part 2, 1967.

Table No. C-1a shows that state tax collections were approximately equal to property tax revenues and the resulting total tax burden in 1966 represented an increase of 27% in the tax share of total EBI. This increased taxation amounted to a per capita increase of 81% and in 1966 reached a level of over $306 per capita.

Until 1958 the county was free of bonded debt, but since that time it has incurred a face value of indebtedness amounting to over $3 million, and as of 1966 had an outstanding debt of $2.8 million as shown in the summary at the end of the case study digest. The outstanding debt at the end of 1966 exceeded by about $500,000 county receipts for an entire year.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the 10-year study period. The rate of increase in expenditures for education was far greater than that for all other expenditure items and its share of total expenditures per capita has increased by 119% as compared with the total expenditure increase per capita of 79%.

c. Property Tax: Relative to the growth in population and the county's economy as expressed in the figures for total EBI, the total value of assessed properties subject to tax grew at a modest rate. The figures in Table No. C-3 show an increase of slightly under 39% in the total assessed value over the 10-year period. During this period the assessed value of rural properties declined by over $500,000, residential properties increased by about $1.7 million, and commercial and industrial properties increased by over $1 million. There were some changes in the relative share in the total assessed value of the various items, but only in respect of residential and rural properties were these changes significant. All assessments in the county have been equalized to 30% of market value and the mill rate was increased in each of the last eight years. The 1966 average rate of 71.3 mills is above average for the state.

Included in the assessed values are the values of commercial, residential and recreation properties on Federal lands. They are shown in the summary appended at the end of the case study digest. It shows a total assessed value of slightly under $60,000 and an estimated tax revenue of $3,835.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: Table No. C-4 contains acreage and RS payment data for the 10-year period to the extent that these are available. Total payments to the county fluctuated widely, primarily as a result of the fluctuations in RS from mineral leasing. RS from the National Forest Fund was reasonably stable during the last five years of the 10-year study period, however, they have shown no important growth. Payments from TG-3 were of small magnitude. Total RS payments in 1966 were under $51,000, slightly above 2% of total county receipts.

b. Indirect Benefits: The county benefited from allocations under the BPR Sliding Scale Highway Aid Program in each year of the 10-year period. These allocations were made irrespective of the county's relative share of eligible Federal lands within the total eligible state lands. Typically, the BPR Sliding Scale Aid payments to the county varied in accordance with budget and highway construction programs. The 1966 payment amounted to $40,350 or about 80% of the direct RS payments. Table No. C-5 contains the relevant figures for the 10-year period.

c. Value of Free Goods and Services: The Forest Service and the Bureau of Land Management have made available to the county free of charge certain construction materials and the free use of tracts of land for county roads and rights-of-way. The annual value of these free goods and services was estimated at $7,400 and the pertinent details are contained in Table No. C-6.

d. Federal Facilities and Services Having Joint Use: The county has obtained the free use of certain roads which were constructed and are maintained by the Forest Service. Based on the construction cost, an annual amortization charge, cost of maintenance and the percentage of utilization by the county, it was estimated that the value of the free use of these roads amounts to $1,750.

e. Resource Expenditures - Management: Both Federal agencies made resource program expenditures during each of the years of the 10-year study period. These expenditures steadily increased and reached a high of $969,000 in 1965, subsequently declining to $858,000 in 1966. The Forest Service expenditures accounted for about 88% of the total. The average annual resource program expenditures for the 10-year period were $585,000 of which 43% were applied to capital expenditures. Table No. C-7 contains a summary of the resource program expenditures for both agencies for the 10-year period.

Tables No. C-7a1 and 2 contain the 10-year expenditure data for each agency by expenditure category.

The management activities performed by both Federal agencies comprise the full range of administrative and technical functions.

## IV. Burdens to Local Government

a. Direct Burdens: The county is engaged in the extension of considerable services directly related to the presence of public lands. The financial burdens resulting from the extension of these services have been estimated at the following annual amounts:

| | |
|---|---|
| Maintenance of Roads | $40,000 |
| Fire Protection[1] | 5,000 |
| Welfare Services | 5,000 |
| Search and Rescue | 3,000 |
| Total | $53,000 |

There is some doubt as to the applicability of the identified welfare service expenditures as it applies to the support of seasonally unemployed loggers who are engaged on national forest lands during the logging season. It is reasonable to assume that if these lands were in private ownership these loggers might, likewise, be unemployed during the off-season.

b. Indirect Burden: Due to the relatively high value of a substantial portion of the Federal acreage in Gunnison County, this land would yield substantial property tax revenues if it were in private ownership. Table No. C-8 contains an estimate of the assessable value, applicable tax rate, and potential tax revenue. It shows a total potential tax revenue of $436,509 equal to 27¢/acre which is substantially more than the aggregate of direct and indirect benefits derived from the Federal lands under the present RS and related programs.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: The Forest Service made considerable collections for the K-V Fund in each of the last three years of the study period and in some of the previous years. The 1965-1966 collections amounted to about 44% of the gross receipts and resulted in a corresponding reduction in the available RS. Put differently, the revenue share "lost" in these years of $11,500 and $11,770 respectively, was equal to about 80% of the RS payments to the county. K-V Fund collections of this magnitude are many times the national average collection.

d. Public Laws 815 and 874: Table No. 10 contains figures relating to the Federal aid obtained by the county under PL 815 and PL 874.

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[1] This amount is exclusive of wages and covers only out-of-pocket costs for supplies such as gasoline and depreciation of fire fighting equipment. The persons engaged in these fire protection activities are unpaid volunteers.

## V. Impact of Present System

a. County Finance: Excluding potential property taxes, the impact of the present system upon the county is one of marginal net benefit; however, as compared with the potential tax revenue which would be available to the county if the lands were in private ownership, the present system produces much smaller revenues to the county. The following figures provide a summary and comparison (1966 figures):

| | |
|---|---|
| Revenue Sharing (C-4) | $ 50,886 |
| Sliding Scale Payment (C-5) | 40,358 |
| Free Goods and Services (C-6) | 7,395 |
| Joint Use Facilities (III.d.) | 1,750 |
| Total Direct Benefits | $100,389 |

From these must be deducted the financial burdens resulting from the existence of public land:

| | |
|---|---|
| Direct Burden | $ 53,000 |
| Resulting Net Direct Benefits | 47,389 = 3¢/acre |

The above figures, when compared with the estimated potential property tax revenue, show that under the existing system the net revenue is little more than 10% of the potential tax revenue which might be realized from private ownership.

b. The Overview: County officials are acutely aware of the relatively small amounts realized by the county from the existing RS and related programs. The county's reliance upon property taxes has, in the opinion of the county commissioners, been pushed to the limit. Yet, total revenues realized are insufficient to provide public services at a level commensurate with the heavy tax burden shouldered by the county's residents. In fact, the county considers itself discriminated against; for example, when 6,000 acres of privately owned lands were purchased for inclusion in the Curecanti National Recreation Area, no provisions were made for in lieu tax payments. This purchase for approximately $2 million has deprived the county of an estimated $37,500 in property tax revenues. It was pointed out also that the indirect economic benefits accruing from the expansion of this recreation area are not commensurate with the loss in tax revenue.

Otherwise, there is general satisfaction with the administration and management of the Federal lands. County officials specifically stated that the technical skills brought to bear by officials of the Forest Service are most valuable in long-term development of this important resource and they are hoping for an expansion in mining activities so as to provide the county with much needed revenues.

## GUNNISON, COLORADO

### SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| BLM | Grazing | $ NA | $ 0 |
| | Mineral | NA | 0 |
| Forest Service | Grazing | NA | 0 |
| | Utility | NA | 0 |
| | Commercial | 30,000 | 1,930 |
| | Residence | 15,280 | 977 |
| | Recreation | 14,500 | 928 |
| | Total | $59,780 | $3,835 |

Source: Federal Agencies' Field Offices and County Tax Assessor.

### BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $ 950,000 | $ 745,000 |
| Water & Sewage | 2,074,000 | 1,721,000 |
| Refunding | 360,000 | 360,000 |
| Total | $3,384,000 | $2,826,000 |

Source: Gunnison County Audit Reports

TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Gunnison

STATE Colorado

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 407,933 | $ 105,190 | $ 513,123 | $ 651,878 | $ 1,165,001 |
| 1958 | 438,873 | 99,621 | 538,494 | 634,971 | 1,173,465 |
| 1959 | 450,081 | 11,117 | 461,198 | 784,721 | 1,245,919 |
| 1960 | 487,732 | 131,214 | 618,946 | 568,862 | 1,187,808 |
| 1961 | 510,448 | 123,649 | 634,097 | 924,245 | 1,558,342 |
| 1962 | 505,900 | 143,522 | 649,422 | 955,518 | 1,604,940 |
| 1963 | 556,438 | 193,479 | 749,917 | 2,150,996 | 2,990,913 |
| 1964 | 623,746 | 202,408 | 826,154 | 1,240,807 | 2,066,961 |
| 1965 | 712,841 | 211,726 | 924,567 | 1,234,021 | 2,158,588 |
| 1966 | 798,647 | 246,703 | 1,045,350 | 1,326,047 | 2,371,397 |
| % incr./decr. '66 vs. 1st yr. | 95.8 | 134.5 | 103.7 | 103.4 | 103.6 |

Source: Gunnison County Audit Reports.

## TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Gunnison

STATE Colorado

| YEAR | State Taxes ($000) Sales & Gross Receipts (1) | Individual Income (2) | Other1/ (3) | Total1/ (4) | Total State Taxes % of EBI (5) | Per Capita($) (6) | Local Property Taxes % of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes % of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 288 | 86 | 149 | 521 | 5.15 | 85.41 | 5.08 | 84.12 | 10.23 | 169.53 |
| 1958 | 293 | 83 | 143 | 519 | 5.11 | 89.48 | 5.30 | 92.84 | 10.41 | 182.32 |
| 1959 | 290 | 118 | 146 | 554 | 5.03 | 93.90 | 4.18 | 78.17 | 9.21 | 172.07 |
| 1960 | 319 | 100 | 144 | 563 | 5.57 | 102.36 | 6.12 | 112.45 | 11.69 | 214.90 |
| 1961 | 352 | 143 | 131 | 626 | 6.03 | 115.93 | 6.11 | 117.43 | 11.75 | 225.77 |
| 1962 | 392 | 155 | 131 | 678 | 6.42 | 123.27 | 6.15 | 118.08 | 12.57 | 241.35 |
| 1963 | 423 | 124 | 138 | 685 | 6.33 | 120.18 | 6.93 | 131.56 | 13.26 | 251.74 |
| 1964 | 516 | 145 | 140 | 801 | 6.50 | 135.76 | 6.71 | 140.03 | 13.21 | 275.79 |
| 1965 | 518 | 171 | 147 | 836 | 6.21 | 134.84 | 6.87 | 149.12 | 13.08 | 283.96 |
| 1966 | 684 | 228 | 158 | 1,070 | 6.59 | 155.07 | 6.44 | 151.50 | 13.03 | 306.57 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7).
Col. (10) = Col. (6) + Col. (8).

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Gunnison

STATE Colorado

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 362,711 | $ 377,724 | $ 436,668 | $ 1,177,103 | $ 193 |
| 1958 | 390,200 | 327,121 | 579,796 | 1,297,117 | 224 |
| 1959 | 427,728 | 331,016 | 484,199 | 1,242,943 | 211 |
| 1960 | 440,220 | 339,685 | 483,933 | 1,263,838 | 230 |
| 1961 | 503,523 | 449,622 | 554,627 | 1,507,772 | 279 |
| 1962 | 618,792 | 343,524 | 568,633 | 1,530,949 | 278 |
| 1963 | 868,395 | 314,823 | 926,126 | 2,109,344 | 370 |
| 1964 | 996,606 | 433,406 | 789,685 | 2,219,697 | 376 |
| 1965 | 1,395,319 | 451,063 | 741,125 | 2,587,507 | 419 |
| 1966 | 893,468 | 668,302 | 818,052 | 2,379,822 | 346 |
| % incr./decr.'66 vs. first year | 146.3 | 76.9 | 87.3 | 102.2 | 79.3 |
| % incr./decr.'66 vs. first year per capita | 118.6 | 56.5 | 65.3 | 79.3 | |

Source: Gunnison County Audit Reports.
Col. (5): Col. (4) divided by population estimates, Sales Management.

County Gunnison

State Colorado

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1)<br>Residential | (2)<br>Commercial, Industrial | (3)<br>Public Utility | (4)<br>Rural | (5)<br>Mineral, Timber Other Nat. Res. | (6)<br>Personal | (7)<br>Other | (8)<br>Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 1,581,080 | $1,400,294 | $ 771,730 | $ 3,599,175 | $ 1,038,360 | $2,166,205 | $ NA | $ 10,556,844 |
| Aver. Tax Rate 52.1 mills | | | | | | | | |
| Item % of Total | 15.0 | 13.3 | 7.3 | 34.1 | 9.8 | 20.5 | 0 | 100.0 |
| 1958 Assessed Value | 1,804,495 | 2,211,110 | 826,170 | 3,570,875 | 837,370 | 2,120,500 | 60,835 | 11,431,355 |
| Aver. Tax Rate 50.7 mills | | | | | | | | |
| 1959 Assessed Value | 1,893,360 | 2,075,520 | 794,620 | 3,599,155 | 789,020 | 2,280,090 | 66,095 | 11,497,860 |
| Aver. Tax Rate 51.2 mills | | | | | | | | |
| 1960 Assessed Value | 2,024,195 | 1,971,070 | 735,930 | 3,801,210 | 736,310 | 2,514,300 | 77,090 | 11,860,105 |
| Aver. Tax Rate 54.3 mills | | | | | | | | |
| 1961 Assessed Value | 2,134,515 | 2,138,985 | 673,460 | 3,698,520 | 739,795 | 2,302,870 | 93,185 | 11,781,330 |
| Aver. Tax Rate 55.3 mills | | | | | | | | |
| 1962 Assessed Value | 2.295,170 | 1,327,325 | 699,090 | 3,995,045 | 742,780 | 2,593,915 | 102,425 | 11,755,750 |
| Aver. Tax Rate 56.6 mills | | | | | | | | |
| 1963 Assessed Value | 2,390,005 | 1,344,910 | 790,020 | 3,746,090 | 730,685 | 3,231,280 | 274,865 | 12,507,855 |
| Aver. Tax Rate 61.3 mills | | | | | | | | |
| 1964 Assessed Value | 2,619,710 | 1,801,820 | 818,820 | 3,732,295 | 847,790 | 3,280,090 | 291,250 | 13,391,775 |
| Aver. Tax Rate 63.0 mills | | | | | | | | |
| 1965 Assessed Value | 2,582,805 | 1,991,985 | 1,145,557 | 3,908,625 | 1,041,360 | 3,230,680 | 217,850 | 14,118,862 |
| Aver. Tax Rate 65.5 mills | | | | | | | | |
| 1966 Assessed Value[1/] | 3,274,390 | 2,454,060 | 1,189,990 | 3,064,775 | 1,219,260 | 3,461,780 | NA | 14,664,255 |
| Aver. Tax Rate 71.3 mills | | | | | | | | |
| Item % of Total | 22.3 | 16.8 | 8.1 | 20.9 | 8.3 | 23.6 | 0 | 100.0 |
| Increase/Decrease '66 vs. '57 | 107.1 | 75.3 | 54.2 | (14.8) | 17.4 | 59.8 | NA | 38.9 |

[1/] Assessed value represents 30 percent of actual market value in 1966.

Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-4
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO | | | | | | | | | | |
| COUNTY = GUNNISON | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 13827 | 16046 | 22951 | 27695 | 16669 | 13623 | 14865 | 14982 | 14434 | 14961 |
| PERCENT BASE YEAR | 100.0 | 116.0 | 166.0 | 200.3 | 120.6 | 98.5 | 107.5 | 108.4 | 104.4 | 108.2 |
| PROGRAM ACREAGE | 1254951 | 1254951 | 1254951 | 1254951 | 1254951 | 1254854 | 1254854 | 1254854 | 1254854 | 1253873 |
| REVENUE $ PER ACRE | 0.01 | 0.01 | 0.02 | 0.02 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 32609 | 34216 | 45668 | 28307 | 28648 | 55989 | 34381 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 104.9 | 140.0 | 86.8 | 87.9 | 171.7 | 105.4 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 226 | 350 | 1436 | 1721 | 936 | 638 | 712 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 154.9 | 635.4 | 761.5 | 414.2 | 282.3 | 315.0 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 645 | 560 | 573 | 224 | 743 | 770 | 829 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 86.8 | 88.8 | 34.7 | 115.2 | 119.4 | 128.5 |
| PROGRAM ACREAGE | NA | NA | NA | 363642 | 360720 | 359659 | 110281 | 366663 | 367443 | 370076 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 13827 | 16046 | 22951 | 61175 | 51795 | 61300 | 45117 | 45309 | 71831 | 50883 |
| PERCENT BASE YEAR | 100.0 | 116.0 | 166.0 | 442.4 | 374.6 | 443.3 | 326.3 | 327.7 | 519.5 | 368.0 |
| PROGRAM ACREAGE | 1254951 | 1254951 | 1254951 | 1618593 | 1615671 | 1614513 | 1365135 | 1621517 | 1622297 | 1623949 |
| REVENUE $ PER ACRE | 0.01 | 0.01 | 0.02 | 0.04 | 0.03 | 0.04 | 0.03 | 0.03 | 0.04 | 0.03 |

NA = data not available. This county does not have any Nonsection 10 land programs.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Gunnison

STATE Colorado

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 98,272 | $ 11,413 |
| 1958 | 268,005 | 31,126 |
| 1959 | 172,638 | 20,050 |
| 1960 | 512,556 | 59,928 |
| 1961 | 394,835 | 50,302 |
| 1962 | 132,667 | 16,659 |
| 1963 | 71,102 | 8,721 |
| 1964 | 495,879 | 61,963 |
| 1965 | 660,260 | 82,807 |
| 1966 | 322,977 | 40,358 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC.

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Gunnison

STATE: Colorado

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Land | $ 6,770 |
| | Borrow Pit | 185 |
| BLM | Construction Material | 440 |
| | Total | $ 7,395 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

County Gunnison

State Colorado

## TABLE NO. C-7

### SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 171,774 | $ 103,978 | $ 275,752 |
| 1958 | 237,809 | 163,435 | 401,244 |
| 1959 | 248,630 | 137,849 | 386,479 |
| 1960 | 229,199 | 159,003 | 388,202 |
| 1961 | 381,410 | 127,367 | 508,777 |
| 1962 | 307,161 | 212,560 | 519,721 |
| 1963 | 451,044 | 281,566 | 732,610 |
| 1964 | 401,405 | 407,748 | 809,153 |
| 1965 | 517,194 | 451,563 | 968,757 |
| 1966 | 367,513 | 490,026 | 857,539 |
| Average Year | 331,314 | 253,510 | 584,824 |
| Item % of Total, Average Year | 56.7 | 43.3 | 100.0 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices

Federal Agency US Forest Service
Gunnison, Uncompahgre
Program & White River National Forests

County Gunnison

State Colorado

TABLE NO. C-7a

Page 1 of 2

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 6,652 | $ 23,384 | $ 979 | $ 100,101 | $ 20,352 | $ 3,240 | $ 14,572 | $ 812 | $ 58,660 | $ 228,752 |
| 1958 | 12,881 | 33,712 | 1,743 | 186,991 | 16,945 | 335 | 45,339 | 365 | 63,933 | 362,244 |
| 1959 | 8,583 | 44,741 | 3,034 | 106,616 | 18,491 | 474 | 37,710 | 688 | 101,142 | 321,479 |
| 1960 | 10,077 | 53,213 | 868 | 121,570 | 35,617 | 2,435 | 29,587 | 1,170 | 59,665 | 314,202 |
| 1961 | 39,101 | 79,991 | 3,785 | 158,676 | 47,972 | 1,219 | 57,201 | 8,089 | 28,743 | 424,777 |
| 1962 | 7,199 | 95,236 | 5,701 | 98,305 | 59,928 | 3,630 | 73,303 | 18,244 | 92,175 | 453,721 |
| 1963 | 17,522 | 109,836 | 6,524 | 126,563 | 69,139 | 2,152 | 128,544 | 16,757 | 166,573 | 643,610 |
| 1964 | 11,453 | 103,572 | 4,015 | 346,867 | 100,794 | 1,351 | 102,607 | 8,363 | 35,131 | 714,153 |
| 1965 | 21,497 | 90,262 | 1,683 | 471,962 | 141,324 | 1,407 | 114,913 | 10,469 | 23,240 | 876,757 |
| 1966 | 12,959 | 96,989 | 3,527 | 336,875 | 132,836 | 1,213 | 120,142 | 12,201 | 33,797 | 750,539 |

Source: Federal Agencies' Field Offices.

C-II-18

Federal Agency Interior - BLM

Program All

County Gunnison

State Colorado

TABLE NO. C-7a

Page 2 of 2

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 17,955 | $ 6,909 | $ 0 | $ 0 | $ 0 | $ 0 | $ NA | $ 22,136 | $ 47,000 |
| 1958 | 0 | 12,323 | 5,111 | 0 | 2,066 | 0 | 0 | NA | 19,500 | 39,000 |
| 1959 | 0 | 28,468 | 24,375 | 0 | 0 | 0 | 0 | NA | 12,157 | 65,000 |
| 1960 | 0 | 39,443 | 29,600 | 0 | 0 | 0 | 0 | NA | 4,957 | 74,000 |
| 1961 | 0 | 38,389 | 24,023 | 0 | 0 | 0 | 0 | NA | 21,588 | 84,000 |
| 1962 | 0 | 20,066 | 11,483 | 1,451 | 4,291 | 2,902 | 0 | NA | 25,807 | 66,000 |
| 1963 | 4,892 | 21,006 | 14,594 | 1,603 | 9,702 | 32,394 | 0 | NA | 4,809 | 89,000 |
| 1964 | 3,800 | 27,838 | 12,637 | 1,237 | 7,600 | 25,363 | 0 | NA | 16,525 | 95,000 |
| 1965 | 3,592 | 30,267 | 10,859 | 6,070 | 12,141 | 7,268 | 8,465 | NA | 13,338 | 92,000 |
| 1966 | 3,632 | 32,100 | 9,522 | 4,712 | 11,878 | 2,356 | 11,878 | NA | 30,922 | 107,000 |

Source: Federal Agencies' Field Offices.

TABLE NO. C-8

ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Gunnison

STATE Colorado

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | $ | | $ | | $ | |
| Building Sites | 250.00 | 25 | 8,250 | 63.86 | 527 | 1597¢ |
| Dry Grazing - Class I | 5.50 | 185,228 | 1,018,754 | 63.86 | 65,058 | 35 |
| Dry Grazing - Class II | 3.50 | 204,861 | 717,014 | 63.86 | 45,789 | 22 |
| Dry Grazing - Class III | 1.40 | 557,617 | 780,664 | 63.86 | 49,853 | 9 |
| Timberland - Class I | 8.10 | 299,262 | 2,424,022 | 63.86 | 154,798 | 52 |
| Timberland - Class II | 2.10 | 6,880 | 225,792 | 63.86 | 14,419 | 13 |
| BLM | | | | | | |
| Good Grazing | 5.50 | 221,756 | 1,219,658 | 63.86 | 77,887 | 35 |
| Fair Grazing - Class I | 3.50 | 111,240 | 389,340 | 63.86 | 24,863 | 22 |
| Fair Grazing - Class I | 1.40 | 37,080 | 51,912 | 63.86 | 3,315 | 9 |
| Totals | $ 4.20 | 1,623,949 | $ 6,835,406 | 63.86 | $ 436,509 | 27¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency US Forest Service
Revenue Sharing Program Gunnison, Uncompahgre, & White River National Forests (25%)[a]
County Gunnison
State Colorado

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1)<br>Gross Receipts | (2)<br>K-V Fund Collections | (3)<br>Net Receipts (Col. 1 - 2) | (4)<br>Net Payment to Local Government | (5)<br>Revenue Share Lost (Col. 2 × a/) |
|---|---|---|---|---|---|
| 1957 | $ 58,059 | $ 2,745 | $ 55,341 | $ 13,829 | $ 686 |
| 1958 | 66,261 | 2,073 | 64,188 | 16,047 | 518 |
| 1959 | 96,120 | 4,312 | 91,808 | 22,952 | 1,078 |
| 1960 | 118,138 | 7,353 | 110,785 | 27,696 | 1,838 |
| 1961 | 77,845 | 11,166 | 66,679 | 16,670 | 2,792 |
| 1962 | 77,617 | 23,118 | 54,499 | 13,625 | 5,780 |
| 1963 | 65,897 | 6,430 | 59,467 | 14,867 | 1,608 |
| 1964 | 84,341 | 24,407 | 59,934 | 14,984 | 6,102 |
| 1965 | 103,763 | 46,022 | 57,741 | 14,435 | 11,506 |
| 1966 | 106,934 | 47,081 | 59,853 | 14,963 | 11,770 |

Source: Federal Agencies' Field Offices.

County Gunnison

State Colorado

## TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACTED AREAS

| Years | Total School Budget | P.L. 815 Aid Provided | P.L. 815 % of Total Budget | P.L. 874 Aid Provided | P.L. 874 % of Total Budget |
|---|---|---|---|---|---|
| 1957 | $ 362,711 | $ 0 | 0 | $ 0 | 0 |
| 1958 | 390,200 | 0 | 0 | 0 | 0 |
| 1959 | 427,728 | 0 | 0 | 0 | 0 |
| 1960 | 440,220 | 0 | 0 | 20,461 | 4.65 |
| 1961 | 503,523 | 0 | 0 | 28,198 | 5.60 |
| 1962 | 618,792 | 0 | 0 | 33,960 | 5.49 |
| 1963 | 868,395 | 0 | 0 | 33,611 | 3.87 |
| 1964 | 996,606 | 120,000 | 12.04 | 24,862 | 2.49 |
| 1965 | 1,395,319 | 60,000 | 4.30 | 29,910 | 2.14 |
| 1966 | 893,468 | 20,000 | 2.24 | 30,068 | 3.37 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports.

# CASE COUNTY DIGEST
# LAS ANIMAS, COLORADO

## I. The County

a. General Description: Las Animas is a large county located in the southeastern part of the state bordering on New Mexico. The county seat is Trinidad, one of five municipalities, and the county contains 20 school districts and five special districts. Only Trinidad provides fairly complete governmental services while the other towns (except Aguilar, which has its own financial control and tax collection) rely entirely on county government for public services. Those services provided on the municipal level of government only include resource development, refuse collection, and public utility operation. The other services provided on the municipal level are also provided on the county level and they include financial control, tax collection, street construction and maintenance, law enforcement, fire protection, and sanitation. The county alone functions in the areas of highway construction and maintenance, welfare, and public health.

The special districts are engaged in sanitation, river, water and conservancy functions:

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 19,983 | 1966 | 2 | 16,300 | -18.4 |
| Urban1/ | 1960 | 1 | 10,691 | 1966 | 2 | 10,600 | -0.9 |
| Rural | 1960 | 1 | 9,292 | 1966 | 2 | 5,700 | -38.7 |
| Employment | 1959 | 3 | 2,536 | 1966 | 3 | 1,957 | -22.8 |
| Effective Buying Income ($000) | 1960 | 2 | 27,034 | 1966 | 2 | 22,932 | -15.2 |
| Per Capita EBI ($) | 1960 | 2 | 1,386 | 1966 | 2 | 1,407 | 1.5 |
| Public School Enrollment (K-12) | 1960 | 1 | 4,500 | 1965 | 4 | 3,600 | -20.0 |

---

1/ Includes areas of 2,500 people or more.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967
3. U. S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U. S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

The figures show a general decline in the county during the 1960-1966 period. The rural population declined at a much greater rate than the urban population; employment covered by the Social Security Program declined at an even greater rate than total population. Since 1957, county population declined from 28,800 to 16,300 with declines in population occurring in each of the years except during the 1961-1964 period. Concurrently, total effective buying income declined although the per capita EBI rose slightly. Public school enrollment (K-12) also declined at a greater rate than the population as a whole.

c. The Land: The total land area in the county is slightly over 3 million acres of which less than 5% are in Federal ownership. Approximately 110,000 acres were subject to RS programs in 1966 and, with the exception of a relatively small RS program from mineral leasing activities, the lands are all of extremely poor quality and usable as low grade grasslands only. In fact, the quality of the timber stands on Federal land in Las Animas is so poor that there is no commercial demand for it and, moreover, if it were cut, an estimated 40 and 50 years would be required to regrow it. The primary value of the trees is for watershed protection.

The Federal lands to which RS provisions apply are composed of the following:

| | |
|---|---|
| Forest Service (FS) | |
| San Isabel National Forest | 30,937 acres |
| San Isabel National Grasslands | 52,638 acres |
| Bureau of Land Management (BLM) | |
| Outside Grazing - TG-15 | 30,065 acres |
| Mineral Leasing | NA |
| Total | 113,640 acres |

## II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the period 1957-1966. Despite the decline in county population, employment and EBI, total receipts have increased during the 10-year study period about $1 million or 29%. The bulk of the increase, about $700,000 per year, was obtained from non-property taxes and other revenue items. The collection of property taxes increased by only 17%.

The county succeeded in reducing its bonded indebtedness during the period 1956-1966 by almost half of the amount outstanding in 1956. A summary of bonded indebtedness by category for 1966 is appended at the end of the case study digest. It shows a total outstanding debt of only $1.4 million or about one-third of an annual expenditure budget.

Table No. C-1a shows the substantial increase in state sales and income taxes and local property taxes as a percent of total EBI and per capita. State and local property taxes in 1966 were over twice the amount per capita levied in 1957 and were 64% higher as a percent of EBI, increasing from 11% to 17% of EBI. The estimate also shows that of the total taxes collected in these two categories, local property taxes accounted for approximately 53% of the total.

b. **Expenditures:** Table No. C-2 contains expenditure data for the 10-year study period. While expenditures for highways declined, the expenditures for all other categories increased with the largest share of the increase occurring in the "other expenditures" category which includes welfare and law enforcement.

c. **Property Taxes:** Table No. C-3 contains detailed data for the assessed value of property subject to tax for the period 1957-1966. During this period total assessed value declined over $2.5 million or 8% despite an increase in the ratio of assessed value to market value which, under state law, was increased to reflect 30% of the actual market value in 1966. Commercial, industrial, rural and personal properties slightly increased in value during the 10-year period, while in all other categories declines ranging from 19% to 37% occurred.

The tax base does not include the value of possessory interests and leaseholds upon public lands. The county has elected not to tax them. The leases which could be subjected to property taxation include 34 mineral leases; however, they are, for the most part, exploratory leases and the county, apparently in order not to discourage the exploratory activities, has elected not to tax either the leases or the associated personal properties.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. **Applicable Programs and Direct Benefits:** As mentioned in I.c., with the exception of the RS payments from mineral leasing, all other items have produced only marginal RS payments. Table No. C-4 contains pertinent acreage and payment data for the 10-year study period to the extent that these data are available.

The large fluctuation in mineral leasing RS payments is explained by the fact that these leases are for exploratory purposes and, contrary to the mineral leasing activities in other Colorado counties, do not reflect significant commercial production. Thus, in 1962, the year in which RS payments from mineral leasing amounted to $23,700, total RS payments to the county reached an all-time high of $30,536. As can be seen from the total column, the payments have fluctuated widely between 1961 and 1966 and, from a county finance point of view, the level of payments can neither serve as an important revenue source nor can their total for a year be reasonably estimated in advance.

b. Indirect Benefits: Sliding scale payments attributable to the presence of public lands were allocated to Las Animas County in each of the years during the 10-year period. Table No. C-5 contains the pertinent figures. In most of these years the Sliding Scale Highway Aid payments exceeded RS payments, although both fluctuated widely. The 1966 payment of $23,400 was about average for the 10-year period.

c. Value of Free Goods and Services: Because of the poor quality of the land, no free goods or services were provided from these lands to the county.

d. Federal Facilities and Services Having Joint Use: Both Federal agencies as well as county officials agree that local government does not benefit from any joint facilities or services.

e. Resource Expenditures - Management: While the Forest Service (FS) has reported relatively small resource program expenditures, Bureau of Land Management (BLM) has stated that it has not made any such expenditures and that because of the poor quality of the land, it felt that such expenditures would not be justifiable. The expenditures of the Forest Service for the 10-year study period are shown in Table No. C-7. These averaged $57,000 per year of which about 22% were devoted to capital expenditures.

Table No. C-7a1 contains the FS expenditures by expenditure category for the 10-year period.

The management programs of both agencies are confined to basic activities such as fire protection, maintenance of roads and the various administrative functions.

The impression gained from the Federal administrators was that various experimental efforts to improve the quality of the land and its economic potential have not proved to be practical.

IV. Burdens to Local Government

a. Direct Burden: The only direct financial burden due to the presence of RS subject lands as identified by county officials relates to expenditures by the county fire department. Until 1964 these expenditures caused an estimated unreimbursed burden of $800 and in subsequent years an annual burden of $300.

b. Indirect Burden: The Federal lands' immunity to taxation by the local government represents the loss of certain tax revenues. Because of the rather low value of these lands, the potential tax revenue, if the lands were in private ownership, was estimated to be less than the payments under the existing revenue sharing programs. Table No. C-8 contains an estimate of the assessable values of these lands to which the 1966 mill rate is applicable to districts in which these lands are located. This estimate results in a potential tax revenue of $15,849 equal to 14c/acre.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: Table No. C-9 contains 10-year data on K-V Fund collections as made by the FS. In each of these years the amount collected for the K-V Fund represents a small share of gross receipts, and in 1966 the collections amounted to about 27% of gross receipts and the resulting revenue share "lost" amounted to $68. It is understood that the small K-V Fund collections reflect the infeasibility of reforestation for most of the national forest area within Las Animas County.

d. Public Laws 815 and 874: The county does not qualify for Federal aid under either of these laws.

V. Impact of Present System:

a. County Finance: The impact of the present system upon county finance is almost insignificant in that total net benefits do not amount to more than about 1% of total county receipts although the land area to which these payments are applicable exceeds 3% of total county land area. Conversely, as the estimate contained in Table No. C-8 shows, if the lands were in private ownership their contribution to county finance in terms of potential tax revenue would be even less.

County benefits and burdens can be summarized as follows (1966 figures):

| | |
|---|---|
| Revenue Sharing (C-4) | $12,682 |
| Sliding Scale Payments (C-5) | 20,142 |
| Total Direct Benefits | $32,824 |

From the above must be deducted the financial burden:

| | |
|---|---|
| Direct Burden (IV.a.) | $300 |
| Resulting Net Direct Benefits | $35,254 = 31¢/acre |

b. The Overview: Reflecting the low level of economic activity in the county and the low quality of the Federal land holdings, the present RS system provides a net benefit to the county's meager financial resources. In the judgment of the county commissioners, ownership of the land by the Federal government is infinitely more desirable than that owned by private individuals because "If anyone can make something out of these lands, it is the Federal government." This view is supported by the experience of a privately owned lumber operation which failed after a short period of operation.

The same officials suggested that some of the Federal lands might be usable as recreation facilities, especially since their topography represents an attraction to hikers. Fischer's Peak, located in the mountains south of Trinidad, is an example of such a potential land use.

# LAS ANIMAS, COLORADO

## SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| Forest Service | Grazing | 0 | 0 |
| BLM | Grazing | 0 | 0 |
| | Mineral Leases | 0 | 0 |

Source: Federal Agencies' Field Offices and County Tax Assessor.

## BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | | Face Value | Outstanding Balance |
|---|---|---|---|
| Schools | | $ 650,000 | $ 216,000 |
| Sewage | | 25,000 | 15,000 |
| Water | | 716,000 | 540,000 |
| Electric | | 1,730,000 | 484,000 |
| Refunding | | 475,000 | 160,000 |
| | Total | $3,596,000 | $1,415,000 |

Source: Las Animas County Audit Reports.

TABLE NO. C-1

LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Las Animas

STATE Colorado

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $1,564,839 | $ 261,111 | $ 1,825,950 | $ 1,567,047 1/ | $ 3,392,997 |
| 1958 | 1,548,525 | 273,269 | 1,821,794 | 1,787,852 1/ | 3,609,646 |
| 1959 | 1,639,919 | 328,771 | 1,968,690 | 1,276,972 1/ | 3,245,662 |
| 1960 | 1,646,604 | 325,377 | 1,971,981 | 1,352,259 1/ | 3,324,240 |
| 1961 | 1,674,609 | 323,731 | 1,998,340 | 1,368,533 1/ | 3,366,873 |
| 1962 | 1,627,569 | 345,242 | 1,972,811 | 1,834,398 1/ | 3,807,209 |
| 1963 | 1,653,673 | 380,365 | 2,034,038 | 1,975,240 1/ | 4,009,278 |
| 1964 | 1,704,811 | 361,626 | 2,066,437 | 2,034,772 | 4,101,209 |
| 1965 | 1,731,401 | 372,367 | 2,103,768 | 2,024,923 | 4,128,691 |
| 1966 | 1,763,279 | 381,829 1/ | 2,145,108 | 2,233,763 1/ | 4,378,871 |
| % incr./decr. '66 vs. 1st yr. | 12.7 | 46.2 | 17.5 | 42.5 | 29.1 |

1/ Estimated from school district records and Las Animas County Audit Reports.

Source: Las Animas County Audit Reports.

## TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Las Animas

STATE Colorado

| YEAR | State Taxes ($000) Sales & Gross Receipts (1) | Individual Income (2) | Other[1/] (3) | Total[1/] (4) | Total State Taxes % of EBI (5) | Per Capita($) (6) | Local Property Taxes % of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes % of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 692 | 274 | 703 | 1,669 | 5.07 | 57.95 | 5.54 | 63.40 | 10.61 | 121.35 |
| 1958 | 698 | 281 | 681 | 1,660 | 4.85 | 60.14 | 5.32 | 66.01 | 10.17 | 126.15 |
| 1959 | 748 | 362 | 617 | 1,727 | 5.09 | 69.08 | 5.81 | 78.75 | 10.90 | 147.83 |
| 1960 | 772 | 267 | 509 | 1,548 | 5.73 | 79.38 | 7.29 | 101.13 | 13.02 | 180.51 |
| 1961 | 718 | 319 | 461 | 1,498 | 6.48 | 78.84 | 8.64 | 105.18 | 15.12 | 184.02 |
| 1962 | 791 | 337 | 452 | 1,580 | 6.85 | 83.16 | 8.56 | 103.83 | 15.41 | 186.99 |
| 1963 | 811 | 263 | 461 | 1,535 | 6.71 | 80.79 | 8.87 | 107.05 | 15.58 | 187.84 |
| 1964 | 820 | 292 | 454 | 1,566 | 6.29 | 81.99 | 8.30 | 108.19 | 14.59 | 190.18 |
| 1965 | 863 | 306 | 413 | 1,582 | 6.62 | 90.40 | 8.80 | 120.22 | 15.42 | 210.62 |
| 1966 | 1,155 | 323 | 372 | 1,850 | 8.07 | 113.50 | 9.35 | 131.60 | 17.42 | 245.10 |

[1/] Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7).
Col. (10) = Col. (6) + Col. (8).

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Las Animas

STATE Colorado

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 2,296,500[1/] | $ 587,226 | $ 574,328[1/] | $ 3,458,054 | $ 120 |
| 1958 | 2,387,734[1/] | 588,335 | 601,497 | 3,577,566 | 130 |
| 1959 | 2,106,928[1/] | 596,517 | 592,397[1/] | 3,295,842 | 132 |
| 1960 | 2,140,361[1/] | 544,186 | 674,970[1/] | 3,359,517 | 172 |
| 1961 | 2,187,141[1/] | 541,529 | 683,681[1/] | 3,412,351 | 180 |
| 1962 | 2,378,466[1/] | 615,403 | 747,702[1/] | 3,741,571 | 197 |
| 1963 | 2,691,697[1/] | 502,645 | 813,935[1/] | 4,008,277 | 211 |
| 1964 | 2,774,841 | 616,788 | 847,135 | 4,238,764 | 222 |
| 1965 | 2,829,643 | 594,888 | 822,208 | 4,246,739 | 243 |
| 1966 | 2,796,603 | 550,831 | 825,517 | 4,172,951 | 256 |
| % incr./decr.'66 vs. first year | 21.8 | (6.2) | 43.7 | 20.7 | 113.3 |
| % incr./decr.'66 vs. first year per capita | 115.0 | 70.0 | 155.0 | 113.3 | |

[1/] Estimated from school district records and Las Animas County Audit Reports.

Source: Las Animas County Audit Reports.
Col. (5): Col. (4) divided by population estimates, Sales Management.

County Las Animas

State Colorado

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1)<br>Residential | (2)<br>Commercial, Industrial | (3)<br>Public Utility | (4)<br>Rural | (5)<br>Mineral, Timber Other Nat. Res. | (6)<br>Personal | (7)<br>Other 2/ | (8)<br>Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 6,096,080 | $ 2,544,650 | $ 9,271,820 | $ 7,225,960 | $ 1,428,060 | $ 4,420,645 | $ | $30,987,215 |
| Aver. Tax Rate 62.5mills | | | | | | | | |
| Item % of Total | 19.7 | 8.2 | 29.9 | 23.3 | 4.6 | 14.3 | | 100.0 |
| 1958 Assessed Value | 6,009,760 | 2,533,200 | 8,926,370 | 7,272,190 | 1,524,270 | 4,631,880 | | 30,897,670 |
| Aver. Tax Rate 62.5mills | | | | | | | | |
| 1959 Assessed Value | 6,085,870 | 2,512,330 | 8,484,360 | 7,197,850 | 1,702,070 | 5,196,441 | | 31,178,941 |
| Aver. Tax Rate 65.5mills | | | | | | | | |
| 1960 Assessed Value | 6,016,090 | 2,441,160 | 8,040,810 | 7,314,170 | 1,987,950 | 5,082,280 | | 30,882,460 |
| Aver. Tax Rate 66.1mills | | | | | | | | |
| 1961 Assessed Value | 6,053,450 | 2,407,780 | 7,567,340 | 7,323,340 | 1,714,480 | 4,846,020 | | 29,912,410 |
| Aver. Tax Rate 68.3mills | | | | | | | | |
| 1962 Assessed Value | 6,012,880 | 2,202,880 | 7,339,720 | 7,384,650 | 1,258,310 | 4,998,180 | | 29,196,620 |
| Aver. Tax Rate 69.0mills | | | | | | | | |
| 1963 Assessed Value | 6,027,000 | 1,860,970 | 7,230,770 | 7,375,730 | 959,530 | 5,422,085 | | 28,876,085 |
| Aver. Tax Rate 71.8mills | | | | | | | | |
| 1964 Assessed Value | 6,125,310 | 1,807,290 | 7,057,390 | 7,381,630 | 978,840 | 4,947,010 | | 28,297,470 |
| Aver. Tax Rate 74.2mills | | | | | | | | |
| 1965 Assessed Value | 6,084,030 | 2,034,680 | 7,113,086 | 7,418,950 | 915,710 | 5,068,860 | | 28,635,316 |
| Aver. Tax Rate 73.5mills | | | | | | | | |
| 1966 Assessed Value 1/ | 4,955,680 | 2,869,500 | 6,996,920 | 7,632,950 | 897,340 | 5,032,895 | | 28,405,285 |
| Aver. Tax Rate 75.5mills | | | | | | | | |
| Item % of Total | 17.4 | 10.1 | 24.6 | 26.9 | 3.2 | 17.8 | | 100.0 |
| Increase/Decrease '66 vs. '57 | (18.7) | 12.8 | (24.5) | 10.6 | (37.2) | 14.3 | | (8.3) |

1/Assessed value represents 30 percent of actual market value in 1966.
2/Included in other items.
Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO<br>COUNTY = LAS ANIMAS | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 174 | 197 | 172 | 178 | 195 | 130 | 177 | 115 | 191 | 183 |
| PERCENT BASE YEAR | 100.0 | 113.2 | 98.9 | 102.3 | 112.1 | 74.7 | 101.7 | 66.1 | 109.8 | 105.2 |
| PROGRAM ACREAGE | 31241 | 31241 | 31241 | 31241 | 31241 | 30937 | 30937 | 30937 | 30937 | 30937 |
| REVENUE $ PER ACRE | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.00 | 0.01 | 0.00 | 0.01 | 0.01 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 33625 | 18345 | 23722 | 10399 | 5976 | 5144 | 10520 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 54.6 | 70.5 | 30.9 | 17.8 | 15.3 | 31.3 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 4573 | 3027 | 4594 | 476 | 149 | 248 | 43 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 66.2 | 100.4 | 10.4 | 3.3 | 5.4 | 0.9 |
| TAYLOR GRAZE SECT 15 * | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 1129 | 623 | 534 | 499 | 521 | -36 | 142 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 55.2 | 47.3 | 44.2 | 46.1 | 0.0 | 12.6 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 174 | 197 | 172 | 39507 | 22190 | 28980 | 11551 | 6759 | 5549 | 10888 |
| PERCENT BASE YEAR | 100.0 | 113.2 | 98.9 | 22705.2 | 12752.9 | 16655.2 | 6638.5 | 3884.5 | 3189.1 | 6257.5 |
| PROGRAM ACREAGE | 31241 | 31241 | 31241 | 31241 | 31241 | 30937 | 30937 | 30937 | 30937 | 30937 |
| REVENUE $ PER ACRE | 0.01 | 0.01 | 0.01 | 1.26 | 0.71 | 0.94 | 0.37 | 0.22 | 0.18 | 0.35 |

NA = data not available.

*Total land available under program in 1966 was 30,065 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4A
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO |  |  |  |  |  |  |  |  |  |  |
| COUNTY = LAS ANIMAS |  |  |  |  |  |  |  |  |  |  |
| NATL GRASSLANDS (USDA) |  |  |  |  |  |  |  |  |  |  |
| FEDERAL PAYMENTS ($) | 1362 | 1201 | 1602 | 2344 | 1531 | 1553 | 1953 | 1675 | 892 | 1792 |
| PERCENT BASE YEAR | 100.0 | 88.2 | 117.6 | 172.1 | 112.4 | 114.0 | 143.4 | 123.0 | 65.5 | 131.6 |
| PROGRAM ACREAGE | 52638 | 52638 | 52638 | 52638 | 52638 | 52638 | 52638 | 52638 | 52638 | 52638 |
| REVENUE $ PER ACRE | 0.03 | 0.02 | 0.03 | 0.04 | 0.03 | 0.03 | 0.04 | 0.03 | 0.02 | 0.03 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS |  |  |  |  |  |  |  |  |  |  |
| FEDERAL PAYMENTS ($) | 1536 | 1398 | 1774 | 41851 | 23721 | 30533 | 13504 | 8434 | 6441 | 12680 |
| PERCENT BASE YEAR | 100.0 | 91.0 | 115.5 | 2724.7 | 1544.3 | 1987.8 | 879.2 | 549.1 | 419.3 | 825.5 |
| PROGRAM ACREAGE | 83879 | 83879 | 83879 | 83879 | 83879 | 83575 | 83575 | 83575 | 83575 | 83575 |
| REVENUE $ PER ACRE | 0.02 | 0.02 | 0.02 | 0.50 | 0.28 | 0.36 | 0.16 | 0.10 | 0.08 | 0.15 |

C12-14

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Las Animas

STATE Colorado

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | 82,277 | $ 9,101 |
| 1958 | 508,629 | 22,308 |
| 1959 | 1,661,291 | 54,648 |
| 1960 | 1,160,549 | 27,943 |
| 1961 | 862,209 | 29,313 |
| 1962 | 1,100,064 | 27,871 |
| 1963 | 106,866 | 8,214 |
| 1964 | 642,796 | 9,949 |
| 1965 | 1,328,477 | 32,032 |
| 1966 | 1,617,910 | 23,394 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC.

TABLE NO. C-7

County **Las Animas**

State **Colorado**

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 16,903 | $ 5,976 | $ 22,879 |
| 1958 | 22,783 | 6,646 | 29,429 |
| 1959 | 21,169 | 8,792 | 29,961 |
| 1960 | 24,201 | 5,062 | 29,263 |
| 1961 | 52,461 | 8,819 | 61,280 |
| 1962 | 35,193 | 12,844 | 48,037 |
| 1963 | 63,108 | 22,336 | 85,444 |
| 1964 | 79,385 | 15,310 | 94,695 |
| 1965 | 58,986 | 18,598 | 77,584 |
| 1966 | 72,352 | 20,534 | 92,886 |
| Average Year | 44,654 | 12,492 | 57,146 |
| Item % of Total, Average Year | 78.1 | 21.9 | 100.0 |

**Note:** **Figures reflect appropriated funds and not necessarily actual expenditures.**

Source: Federal Agencies' Field Offices.

Federal Agency US Forest Service

Program San Isabel National Forest

County Las Animas

State Colorado

TABLE NO. C-7a

Page 1 of 1

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 886 | $ 6,835 | $ 1,602 | $ 5,421 | $ 1,129 | $ 535 | $ 969 | $ 16 | $ 5,486 | $ 22,879 |
| 1958 | 684 | 9,822 | 1,241 | 8,686 | 476 | 695 | 4,581 | 40 | 3,204 | 29,429 |
| 1959 | 1,290 | 10,155 | 432 | 7,613 | 672 | 120 | 6,194 | 180 | 3,305 | 29,961 |
| 1960 | 738 | 10,628 | 453 | 7,564 | 731 | 77 | 4,760 | 78 | 4,234 | 29,263 |
| 1961 | 847 | 14,081 | 1,123 | 10,179 | 1,428 | 755 | 7,416 | 142 | 25,309 | 61,280 |
| 1962 | 1,252 | 10,908 | 2,095 | 10,426 | 3,735 | 825 | 11,679 | 979 | 6,198 | 48,037 |
| 1963 | 11,298 | 16,473 | 2,052 | 21,714 | 7,702 | 2,505 | 16,732 | 881 | 6,087 | 85,444 |
| 1964 | 11,609 | 11,602 | 6,078 | 27,244 | 6,494 | 3,259 | 16,630 | 863 | 10,916 | 94,695 |
| 1965 | 2,628 | 13,982 | 9,313 | 23,052 | 6,804 | 767 | 14,159 | 1,160 | 5,719 | 77,584 |
| 1966 | 3,155 | 15,099 | 14,177 | 28,957 | 7,943 | 423 | 14,184 | 987 | 7,961 | 92,886 |

Source: Federal Agencies' Field Offices.

C/2-17

TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Las Animas

STATE Colorado

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills[2/] (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| **Forest Service** | | | | | | |
| Grazing, Timber, Farm, etc. | $ 2.55 | 42,562 | $ 108,553 | 62.67 | $ 6,803 | 16¢ |
| Grazing | 1.65 | 41,013 | 67,671 | 62.67 | 4,241 | 10 |
| **BLM** | | | | | | |
| Grazing, Timber, waste, etc. | 2.55 | 30,065 | 76,666 | 62.67 | 4,805 | 16 |
| Totals | $ 2.22 | 113,640 | $ 252,890 | 62.67 | $ 15,849 | 14 ¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

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Federal Agency US Forest Service
Revenue Sharing Program San Isabel National Forest (25%)[a/]
County Las Animas
State Colorado

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

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| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 × a/) |
|---|---|---|---|---|---|
| 1957 | $ 755 | $ 59 | $ 696 | $ 174 | $ 15 |
| 1958 | 821 | 33 | 788 | 197 | 8 |
| 1959 | 715 | 27 | 688 | 172 | 7 |
| 1960 | 743 | 31 | 712 | 178 | 8 |
| 1961 | 878 | 98 | 780 | 195 | 24 |
| 1962 | 1,101 | 581 | 520 | 130 | 145 |
| 1963 | 1,144 | 436 | 708 | 177 | 109 |
| 1964 | 876 | 416 | 460 | 115 | 104 |
| 1965 | 1,147 | 383 | 464 | 191 | 96 |
| 1966 | 1,002 | 270 | 732 | 183 | 68 |

Source: Federal Agencies' Field Offices.

# CASE COUNTY DIGEST
# MESA, COLORADO

## I. The County

a. General Description: Mesa is a large county located in the westernmost part of Colorado, bordering Utah, about 120 miles south of Wyoming and 100 miles north of New Mexico. The county seat is the City of Grand Junction. There is a total of five municipalities, four school districts and 25 special districts in Mesa County. Approximately one-half the total county population resides in the City of Grand Junction which, despite its size, relies, like all other municipalities in the county, upon county government for certain governmental services, including all local services, health and welfare and tax assessment. In all other respects county and municipal governments are overlapping, both providing such services as financial control, tax collections, street and highway construction and maintenance, law enforcement, public safety, fire protection, planning and sanitation facilities. For resource development both county and municipalities rely entirely upon state offices. The four school districts rely on county services except for their administration and financial control. The special districts are engaged in agriculture, fire protection, cemetery and utility operations.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 50,715 | 1966 | 2 | 53,200 | 4.9 |
| Urban[1] | 1960 | 1 | 23,633 | 1966 | 2 | 26,300 | 11.3 |
| Rural | 1960 | 1 | 27,082 | 1966 | 2 | 26,900 | -0.7 |
| Employment | 1959 | 3 | 8,354 | 1966 | 3 | 9,822 | 17.6 |
| Effective Buying Income ($000) | 1960 | 2 | 85,674 | 1966 | 2 | 107,685 | 25.7 |
| Per Capita EBI ($) | 1960 | 2 | 1,660 | 1966 | 2 | 2,024 | 21.9 |
| Public School Enrollment (K-12) | 1960 | 1 | 11,992 | 1965 | 4 | 12,400 | 3.4 |

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[1] Includes areas of 2,500 people or more.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U. S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U. S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

During the 1950's the population of Mesa County grew quite rapidly, exceeding a growth rate of 30% and the same trend, though to a lesser degree, continued from the period 1960 to 1966. While rural population slightly declined, the urban population grew by 11%. Likewise, employment in the county continued to grow as did total effective buying income and per capita EBI. The latter was substantially greater than that of the neighboring county, evidence that Mesa County provides a greater opportunity for industrial employment. Public school enrollment (K-12) increased at a slightly lesser rate than the population as a whole.

c. The Land: There are over 2.1 million acres in the county. Of these, 71% or 1.5 million acres were reported to be in Federal ownership.

The Federal lands, all subject to RS programs, are made up of the following:

| | | |
|---|---|---|
| Forest Service (FS) | - Grand Mesa and Uncompahgre National Forest | 560,579 acres |
| Bureau of Land Management (BLM) | - Grazing Districts, TG-3[1] | 942,199 acres |
| | - Mineral Leases - Acreage included in TG-3 | |
| Total | | 1,502,778 acres |

Additionally, the Colorado National Monument, administered by the National Park Service and comprising approximately 18,000 acres, is located just west of the City of Grand Junction.

## II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the years 1957-1966. It shows an increase in total receipts between 1957 and 1966 of over $4.3 million, an increase of 65%. In 1966, total revenue from property taxes accounted for over 67% of total revenue and reflected a growth of 61%. The increase in the collection of other taxes and revenue, including payments from RS and related programs over the 10-year period, equaled 76%.

During the period 1956-1966 bonded indebtedness increased by about $3.5 million. The summary at the end of the case study digest reflects the 1966 outstanding indebtedness by bond category.

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[1] This acreage figure was reported in BLM payment vouchers for 1966. BLM statistics, State Series, Colorado, 1966, lists 913,442 acres and in outside grazing districts lists 1,539 acres. For the latter, BLM payment vouchers did not indicate either acreage or payment.

Table No. C-1a shows a per capita increase in state taxes and local property tax collections of 55% during the 10-year period. As a percent of EBI that increase amounted to only 9%. The rate of increase for state taxes was larger than that for local property taxes, although the latter accounted for over half the total county receipts.

b. Expenditures: Though expenditures rose during the 10-year study period by over $3.7 million, they reflect an increase of 52% as compared with that for receipts of 65%.

The rate of increase in expenditures for education was 355% but only slightly over 20% of total expenditures were incurred for education. Table No. C-2 contains the appropriate figures.

c. Property Taxes: Table No. C-3 contains detailed data for the assessed value of property subject to taxes for the period 1957-1966. It shows an increase in the total assessed value of 31%. The largest share of this increase resulted from the assessed value of residential properties. During the study period, commercial and industrial assessed value increased by 115% while public utilities increased by 69%; each accounted for almost $7 million out of the total increase of over $23 million. Conversely, the assessed value of rural properties declined by about $7.6 million.

Although Mesa County assesses and taxes third party interests upon Federal lands, only those located on certain FS and BLM lands have been so assessed. These are improvements on mineral leasing tracts and residences. The summary at the end of the case study digest shows their approximate assessed value and the tax revenues obtained from them, $111,850 and $5,870 respectively. Both figures are negligible in comparison with county totals.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: Table No. C-4 contains detailed acreage and payment figures, to the extent that these are available for the 10-year period. Because revenues from mineral leasing were not reported for the years prior to 1961, the preceding period cannot be used to compare the trend of payments to the county. Since 1961, payments increased to a high of about $186,000 in 1963, though they were somewhat less in each succeeding year.

Typically, payments from grazing leases and sale of public lands accounted for only small amounts. In terms of the overall county receipts, total RS payments are relatively small and in 1966 accounted for less than 2% of total receipts.

b. Indirect Benefits: Mesa County benefited from allocations under the BPR Sliding Scale Highway Aid Program in each year during the 10-year period. The 1966 payment of $21,368 was the smallest during the entire period though in the preceding year, 1965, the all-time high of $132,800 was reported. The 1966 payment amounted to just over 2% of the county's total expenditures for highways.

c. Value of Free Goods and Services: The county has obtained the free use of certain tracts of land for miscellaneous public purposes and it has also obtained certain quantities of construction materials. Table No. C-6 contains a summary of the annual value of these free land uses and materials, $4,524.

d. Federal Facilities and Services Having Joint Use: The county has benefited from a considerable amount of free services and use of Federal facilities. Based on the construction cost, the annual maintenance or operating costs, and the rate of usage by the local government, the following estimate of the annual value of these in-kind benefits was prepared:

| | |
|---|---|
| FS - Road Construction | $ 1,250 |
| - Road Maintenance | 3,400 |
| BLM - Recreation Areas | 8,600 |
| - Flood Control | 5,300 |
| Total | $18,550 |

e. Resource Expenditures - Management: The FS and the BLM made large resource program expenditures in each of the years during the study period. These expenditures grew continually and reached a high in 1966 of more than $926,000. During the 10-year period an annual average of $563,400 was expended. Of this, 30% was applicable to capital expenditures. Table No. C-7 contains a summary of the resource program expenditures by both agencies for the 10-year period. Tables No. C-7a1 and 2 contain detailed expenditure data by expenditure category for each agency for the 10-year period.

## IV. Burdens to Local Government

a. Direct Burdens: Just as the county has benefited from various free services and the use of Federal facilities, it reports the incurrence of large financial burdens for various services attributable to the presence of public lands. Based on the county records and the share of the expenditures applicable to public lands, the annual burden was estimated as follows:

| | |
|---|---|
| Highway Maintenance | $65,000 |
| Search and Rescue | 1,000 |
| Fire Protection | 1,000 |
| Total Direct Burdens | $67,000 |

b. Indirect Burden: With the exception of some 82,000 acres of commercial timberland, the Federal lands subject to RS programs in Mesa County have relatively low surface values. However, due to the large quantity of Federal lands, the loss of property tax revenues due to their immunity to taxation by the local government is of considerable magnitude. Table No. C-8 contains an estimate of the assessable value and the potential tax revenue which might be obtained if the lands were in private ownership. It shows a total potential tax revenue of just under $180,000 which averages to 12¢/acre. This potential tax estimate is about the same amount as the RS payments obtained in 1966, exclusive of all other benefits derived by the county due to the presence of public lands.

c. Loss in Revenues as a Result of Sharing Net Versus Gross: The FS made K-V Fund collections in each year of the 10-year study period. Table No. C-9 contains the appropriate figures. It shows that in 1958, for example, the K-V Fund collection amounted to 5% of gross revenues and from there it steadily increased. During the last three years of the study period the K-V Fund collections amounted to 26%, 29% and 35% respectively of gross receipts. As a result, RS payments were reduced by 40%, 41% and 54% respectively of the actual payment to the county.

Additionally, the RS payments to the county were reduced as a result of the FS's practice of reducing the value of the timber purchase contracts by the estimated cost of construction and reconstruction of harvest roads. If this reduction had not been made in 1966 -- it amounted to $1,700 -- the RS payment to the county would have been increased by $425.

d. Public Laws 815 and 874: The county qualified for payments under PL 874 in each year of the study period, and also for a payment under PL 815 in 1958. The pertinent figures are contained in Table No. C-10.

## V. Impact of Present System

a. County Finance: The county derives a considerable direct benefit from the present RS system; however, it also incurs a considerable financial burden based on the 1966 figures. A summary of the benefits and burdens follow:

| | |
|---|---|
| Revenue Sharing (C-4) | $146,015 |
| Sliding Scale Payments (C-5) | 21,368 |
| Free Goods and Services (C-6) | 4,524 |
| Joint Use Facilities (III. d.) | 18,550 |
| Total Direct Benefits | $190,457 |

From these must be deducted the direct burdens attributable to the presence of public lands:

| | |
|---|---|
| Direct Burdens (IV.a.) | $ 67,000 |
| Resulting Net Direct Benefits | $123,457 = 8¢/acre |

Comparing the above results with the potential tax revenue shown in Table No. C-8, the present system yields $56,118 or 4¢/acre less than the estimated yield under private ownership. This result, however, should not be taken as a definite disadvantage for the present RS system since Sliding Scale Highway Aid payments fluctuate widely from year to year and, if 1965 figures or any of the previous year's figures were compared, the result would be the reverse; namely, the total benefits to the county under the RS and related programs would have substantially exceeded the potential tax revenues from private ownership of the land.

b. The Overview: It might be assumed that in a county in which public lands comprise over 71% of the total land area, their impact on the county as a whole and its economy specifically might be most significant. This appears not to be the case in Mesa because it has had considerable growth in that part of its economy which is not land-related. Nevertheless, there are a number of problems in the context of Federal land ownership and the Federal agencies' management practices. One example pointed out by the various interest groups is a challenge to the traditional users of grazing lands. Conservationists, sportsmen and wildlife enthusiasts express the belief that public lands have been monopolized by stockmen and that others have been deprived of the use of these lands for forests, recreation, hunting, and other uses. Ranchers typically claim that their livelihoods are dependent upon their grazing rights on the public lands and they tend to view these in a possessory way. The pattern of land ownership in Mesa (as in many other counties as well) tends to aggravate this situation. Many public land areas, especially those presently used for grazing and which are claimed for use by these other interest groups are inaccessible from the public roads and highways. Access to them, in many cases, depends upon privately-owned lands and these are virtually fenced off by their rancher owners. When the public wishes to gain access to public lands for recreational purposes, the private land owners charge access fees which sometimes are substantial. This reported situation indicates that the present pattern of public land ownership, based on the multiple use concept is not being realized to its fullest extent since the recreational use is "obstructed" by a factor, viz. the privately owned lands, which are excluded from the system of management by the public agencies.

Large areas of public lands in Mesa County reportedly contain enormous mineral deposits including uranium and oil shale. The preponderance of these mineral deposits have not been tapped and their extraction might presently be uneconomical. County officials are vitally concerned with Federal land management practices and attitudes which may facilitate the technological developments resulting in economical extraction of these minerals. It is obvious to these informed persons that the county can attain a much improved economy if Federal land management practices will positively facilitate the growth of mineral extraction and the resulting royalty payments in which the county expects to share. It appears, however, that RS payments, per se, are of less concern than the continuing development of the lands and their increased utilization, with the attendant indirect benefits in terms of employment opportunities and increased buying and taxing power for the county's population.

As in many other counties, the view prevails that the Federal agencies should dispose of small isolated parcels of Federally owned land. It has been observed that such isolated tracts received little attention in the total land management program; at the same time, they are a thorn in the private land owners' management activities.

## MESA, COLORADO

### SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue 1/ |
|---|---|---|---|
| Forest Service)<br>)<br>BLM ) | Mineral & Residential Improvements | $111,850 | $5,870 |
| Forest Service | Rights-of-way | 0 | 0 |
| | Grazing | 0 | 0 |
| | Residence | 0 | 0 |
| | Recreational | 0 | 0 |
| | Mineral | 0 | 0 |
| BLM | Other | 0 | 0 |
| | Total | $111,850 | $5,870 |

1/ Tax Revenue cannot be allocated to agencies involved.

Source: Federal Agencies' Field Offices and County Tax Assessor

### BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $ 4,996,000 | $1,906,588 |
| Refunding | 3,987,000 | 3,905,000 |
| Water | 1,500,000 | 650,000 |
| Sewers | 746,800 | 339,900 |
| Roads | 866,000 | 414,000 |
| Public Protection | 240,000 | 108,000 |
| Total | $12,335,800 | $7,323,488 |

Source: Mesa County Audit Reports.

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TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Mesa

STATE Colorado

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 3,841,324 | $ 843,960 | $ 4,685,284 | $ 2,048,684 | $ 6,733,968 |
| 1958 | 4,153,071 | 1,254,765 | 5,407,836 | 1,220,144 | 6,627,980 |
| 1959 | 4,454,255 | 1,345,678 | 5,799,933 | 1,215,407 | 7,015,340 |
| 1960 | 4,731,068 | 1,349,996 | 6,081,064 | 1,495,062 | 7,576,126 |
| 1961 | 5,013,935 | 1,269,191 | 6,283,126 | 2,274,428 | 8,557,554 |
| 1962 | 4,977,060 | 1,228,360 | 6,205,420 | 2,216,259 | 8,421,679 |
| 1963 | 5,552,128 | 1,293,960 | 6,846,088 | 2,146,115 | 8,992,203 |
| 1964 | 5,795,594 | 1,220,862 | 7,016,456 | 2,307,547 | 9,324,003 |
| 1965 | 5,860,705 | 1,192,112 | 7,052,817 | 3,105,057 | 10,157,874 |
| 1966 | 6,319,882 | 1,204,787 | 7,524,669 | 3,596,556 | 11,121,225 |
| % incr./decr. '66 vs. 1st yr. | 64.5 | 42.8 | 60.6 | 75.6 | 65.2 |

Source: Annual Reports of the Colorado Tax Commission and Mesa County Audit Reports.

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# TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME
## 1957 - 1966

COUNTY Mesa

STATE Colorado

| YEAR | State Taxes ($000) | | | | Total State Taxes | | Local Property Taxes | | Total of State & Local Property Taxes | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sales & Gross Receipts (1) | Individual Income (2) | Other1/ (3) | Total1/ (4) | % of EBI (5) | Per Capita($) (6) | % of EBI (7) | Per Capita($) (8) | % of EBI (9) | Per Capita($) (10) |
| 1957 | 2,942 | 593 | 1,224 | 4,759 | 6.69 | 94.99 | 6.59 | 93.52 | 13.28 | 188.51 |
| 1958 | 3,332 | 656 | 1,273 | 5,261 | 6.58 | 101.96 | 6.76 | 104.80 | 13.34 | 206.76 |
| 1959 | 2,676 | 958 | 1,320 | 4,954 | 5.51 | 92.60 | 6.45 | 108.41 | 11.96 | 201.01 |
| 1960 | 2,670 | 846 | 1,348 | 4,864 | 5.68 | 94.26 | 7.10 | 117.85 | 12.78 | 212.11 |
| 1961 | 2,614 | 1,404 | 1,284 | 5,302 | 5.21 | 100.23 | 6.17 | 118.77 | 11.80 | 219.00 |
| 1962 | 2,898 | 1,507 | 1,281 | 5,686 | 5.52 | 105.49 | 6.03 | 115.13 | 11.55 | 220.62 |
| 1963 | 2,913 | 1,201 | 1,336 | 5,450 | 5.21 | 98.91 | 6.55 | 124.25 | 11.77 | 223.12 |
| 1964 | 3,537 | 1,355 | 1,334 | 6,226 | 5.40 | 110.98 | 6.08 | 125.07 | 11.48 | 236.05 |
| 1965 | 4,683 | 1,484 | 1,295 | 7,462 | 6.40 | 136.67 | 6.05 | 129.17 | 12.45 | 265.84 |
| 1966 | 5,343 | 1,515 | 1,215 | 8,073 | 7.50 | 151.74 | 6.99 | 141.44 | 14.49 | 293.18 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7).
Col. (10) = Col. (6) + Col. (8).

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Mesa

STATE Colorado

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 485,403 | $ 807,071 | $ 5,795,043 | $ 7,087,517 | $ 141 |
| 1958 | 559,007 | 805,610 | 5,903,711 | 7,268,328 | 141 |
| 1959 | 662,807 | 813,884 | 5,498,289 | 6,974,980 | 130 |
| 1960 | 681,784 | 798,200 | 6,371,297 | 7,851,281 | 152 |
| 1961 | 920,038 | 861,314 | 6,237,841 | 8,019,193 | 152 |
| 1962 | 1,066,815 | 907,613 | 6,249,334 | 8,223,762 | 153 |
| 1963 | 1,304,309 | 854,024 | 6,977,231 | 9,135,564 | 166 |
| 1964 | 1,477,226 | 841,478 | 6,615,161 | 8,933,865 | 159 |
| 1965 | 1,900,369 | 865,562 | 7,509,960 | 10,275,891 | 188 |
| 1966 | 2,207,931 | 941,015 | 7,651,316 | 10,800,262 | 203 |
| % incr./decr.'66 vs. first year | 354.9 | 16.6 | 32.0 | 52.4 | 44.0 |
| % incr./decr.'66 vs. first year per capita | 320.0 | 12.5 | 24.1 | 44.0 | |

Source: Mesa County Audit Reports.
Col. (5): Col. (4) divided by population estimates, Sales Management.

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County Mesa

State Colorado

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential | (2) Commercial, Industrial | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. | (6) Personal | (7) Other | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 23,381,960 | $ 6,697,720 | $10,028,290 | $19,991,740 | $ 692,980 | $13,301,550 | $ 3,670 | $ 74,097,910 |
| Aver. Tax Rate 66.78mills | | | | | | | | |
| Item % of Total | 31.6 | 9.0 | 13.5 | 27.0 | 0.9 | 18.0 | 2/ | 100.0 |
| 1958 Assessed Value | 24,453,230 | 7,962,340 | 11,862,140 | 19,287,810 | 1,134,470 | 19,601,640 | 300,860 | 84,602,490 |
| Aver. Tax Rate 67.48mills | | | | | | | | |
| 1959 Assessed Value | 25,570,470 | 8,781,580 | 12,030,760 | 19,565,760 | 1,185.440 | 20,436,600 | 665,350 | 88,235,960 |
| Aver. Tax Rate 68.13mills | | | | | | | | |
| 1960 Assessed Value | 27,063,930 | 9,300,590 | 14,200,280 | 20,707,500 | 1,147,860 | 20.886,890 | 751,530 | 94,058,580 |
| Aver. Tax Rate 66.85mills | | | | | | | | |
| 1961 Assessed Value | 28,859,270 | 8,786,160 | 15,097,340 | 20,959,880 | 882,800 | 19,035,600 | 769,950 | 94,391,000 |
| Aver. Tax Rate 68.01mills | | | | | | | | |
| 1962 Assessed Value | 27,046,880 | 8,743,720 | 15,782,290 | 19,986,530 | 853,960 | 18,067,930 | 828,860 | 91,310,170 |
| Aver. Tax Rate 69.36mills | | | | | | | | |
| 1963 Assessed Value | 27,959,590 | 8,974,110 | 15,912,000 | 20,118,300 | 891,460 | 17,338,370 | 719,590 | 91,913,420 |
| Aver. Tax Rate 75.79mills | | | | | | | | |
| 1964 Assessed Value | 29,075,130 | 9,089,910 | 16,066,290 | 20,469,950 | 960,400 | 16,078,510 | 844,680 | 92,584,870 |
| Aver. Tax Rate 76.84mills | | | | | | | | |
| 1965 Assessed Value | 30,102,220 | 9,922,610 | 16,503,685 | 20,673,510 | 1,048,460 | 16,061,020 | 878,530 | 95,190,035 |
| Aver. Tax Rate 73.86mills | | | | | | | | |
| 1966 Assessed Value1/ | 36,842,780 | 14,374,650 | 16,928,640 | 12,342,100 | 1,143,380 | 15,536,110 | 0 | 97,167,660 |
| Aver. Tax Rate 77.41mills | | | | | | | | |
| Item % of Total | 37.9 | 14.8 | 17.4 | 12.7 | 1.2 | 16.0 | 0 | 100.0 |
| Increase/Decrease '66 vs. '57 | 57.6 | 114.6 | 68.8 | (38.3) | 65.0 | 16.8 | NC | 31.3 |

1/Assessed value represents 30 percent of actual market value in 1966.
2/Less than 0.05 percent.
Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

C13-2

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO<br>COUNTY = MESA | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 10775 | 14709 | 18031 | 18846 | 12911 | 11117 | 12339 | 12397 | 11263 | 12014 |
| PERCENT BASE YEAR | 100.0 | 136.5 | 167.3 | 174.9 | 119.8 | 103.2 | 114.5 | 115.1 | 104.5 | 111.5 |
| PROGRAM ACREAGE | 569206 | 569203 | 569203 | 569203 | 569203 | 569203 | 569203 | 568868 | 568868 | 560579 |
| REVENUE $ PER ACRE | 0.02 | 0.03 | 0.03 | 0.03 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 129058 | 144955 | 150996 | 171177 | 169774 | 145804 | 161835 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 112.3 | 117.0 | 132.6 | 131.5 | 113.0 | 125.4 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 238 | 192 | 115 | 400 | 412 | 129 | 360 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 80.7 | 48.3 | 168.1 | 173.1 | 54.2 | 151.3 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 1666 | 1419 | 1429 | 2092 | 2170 | 2051 | 2163 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 85.2 | 85.8 | 125.6 | 130.3 | 123.1 | 129.8 |
| PROGRAM ACREAGE | NA | NA | NA | 840619 | 840418 | 840292 | 900759 | 900519 | 900427 | 942199 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 10775 | 14709 | 18031 | 149808 | 159477 | 163657 | 186008 | 184753 | 159247 | 176372 |
| PERCENT BASE YEAR | 100.0 | 136.5 | 167.3 | 1390.3 | 1480.1 | 1518.9 | 1726.3 | 1714.6 | 1477.9 | 1636.9 |
| PROGRAM ACREAGE | 569206 | 569203 | 569203 | 1409822 | 1409621 | 1409495 | 1469962 | 1469387 | 1469295 | 1502778 |
| REVENUE $ PER ACRE | 0.02 | 0.03 | 0.03 | 0.11 | 0.11 | 0.12 | 0.13 | 0.13 | 0.11 | 0.12 |

NA = data not available. This county does not have any Nonsection 10 land programs.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Mesa

STATE Colorado

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 409,311 | $ 47,537 |
| 1958 | 1,064,103 | 123,584 |
| 1959 | 972,176 | 112,908 |
| 1960 | 710,809 | 81,848 |
| 1961 | 1,092,083 | 99,536 |
| 1962 | 2,831,111 | 99,448 |
| 1963 | 2,111,377 | 61,200 |
| 1964 | 2,716,063 | 89,407 |
| 1965 | 3,747,067 | 132,841 |
| 1966 | 1,279,721 | 21,368 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC.

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Mesa

STATE: Colorado

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Land (for various purposes) | $ 1,957 |
| BLM | Construction Material | 2,567 |
| | Total | $ 4,524 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

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County **Mesa**

State **Colorado**

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 224,552 | $ 41,248 | $ 265,800 |
| 1958 | 219,293 | 96,208 | 315,501 |
| 1959 | 281,965 | 117,728 | 399,693 |
| 1960 | 332,190 | 85,668 | 417,858 |
| 1961 | 404,325 | 103,923 | 508,248 |
| 1962 | 360,989 | 155,319 | 516,308 |
| 1963 | 414,800 | 205,589 | 620,389 |
| 1964 | 542,714 | 265,533 | 808,247 |
| 1965 | 513,146 | 342,848 | 855,994 |
| 1966 | 622,322 | 303,685 | 926,007 |
| Average Year | 391,629 | 171,775 | 563,404 |
| Item % of Total, Average Year | 69.5 | 30.5 | 100.0 |

Note: **Figures reflect appropriated funds and not necessarily actual expenditures.**

Source: Federal Agencies' Field Offices.

Federal Agency US Forest Service
White River & Manti-La Sal
Program Uncompahgre, Grand Mesa National Forests

County Mesa

State Colorado

TABLE NO. C-7a

Page 1 of 2

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 3,809 | $ 14,803 | $ 2,891 | $ 29,947 | $ 34,009 | $ 17,649 | $ 6,192 | $ 2,786 | $ 18,714 | $ 130,800 |
| 1958 | 2,765 | 36,955 | 10,316 | 73,103 | 23,120 | 1,462 | 19,291 | 602 | 37,887 | 205,501 |
| 1959 | 6,390 | 36,676 | 9,809 | 56,820 | 23,633 | 50 | 24,247 | 507 | 54,561 | 212,693 |
| 1960 | 6,568 | 37,052 | 3,909 | 55,755 | 25,496 | 6,821 | 17,561 | 2,504 | 52,193 | 207,859 |
| 1961 | 11,873 | 51,133 | 6,390 | 89,487 | 40,180 | 4,621 | 35,103 | 2,630 | 27,831 | 269,248 |
| 1962 | 9,381 | 32,395 | 13,672 | 93,149 | 56,340 | 7,173 | 49,727 | 6,975 | 57,496 | 326,308 |
| 1963 | 16,326 | 67,509 | 17,141 | 80,917 | 72,028 | 5,339 | 69,633 | 12,138 | 27,358 | 368,389 |
| 1964 | 13,619 | 68,421 | 9,617 | 201,812 | 127,155 | 7,573 | 61,865 | 12,885 | 34,300 | 537,247 |
| 1965 | 21,688 | 75,870 | 5,871 | 199,962 | 156,166 | 8,445 | 71,163 | 13,267 | 41,562 | 593,994 |
| 1966 | 10,576 | 76,656 | 6,642 | 255,991 | 128,633 | 1,981 | 79,997 | 9,833 | 48,698 | 619,007 |

Source: Federal Agencies' Field Offices

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Federal Agency Interior - BLM

Program All

County Mesa

State Colorado

## TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 50,086 | $ 22,275 | $ 0 | $ 0 | $ 0 | $ 0 | $ NA | $ 62,639 | $ 135,000 |
| 1958 | 1,980 | 33,663 | 14,852 | 990 | 4,951 | 0 | 0 | NA | 53,564 | 110,000 |
| 1959 | 3,928 | 80,603 | 68,820 | 2,052 | 2,052 | 0 | 0 | NA | 29,545 | 187,000 |
| 1960 | 4,615 | 101,639 | 78,963 | 4,615 | 2,108 | 0 | 0 | NA | 18,060 | 210,000 |
| 1961 | 4,780 | 112,330 | 66,920 | 4,780 | 2,390 | 0 | 0 | NA | 47,800 | 239,000 |
| 1962 | 2,852 | 57,570 | 31,549 | 4,366 | 11,585 | 7,218 | 0 | NA | 74,860 | 190,000 |
| 1963 | 16,130 | 61,482 | 40,324 | 4,791 | 27,468 | 64,518 | 0 | NA | 37,287 | 252,000 |
| 1964 | 12,736 | 80,211 | 33,063 | 5,144 | 24,123 | 50,944 | 0 | NA | 64,779 | 271,000 |
| 1965 | 12,049 | 86,466 | 30,123 | 18,074 | 38,509 | 20,436 | 18,074 | NA | 38,269 | 262,000 |
| 1966 | 11,974 | 93,627 | 27,626 | 19,328 | 38,375 | 8,298 | 33,473 | NA | 74,299 | 307,000 |

Source: Federal Agencies' Field Offices.

C13-18

TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Mesa

STATE Colorado

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| BLM | | | | | | |
| Grazing - Class I | $ 5.00 | 536 | $ 2,680 | 58.55 | $ 157 | 29¢ |
| Grazing - Class II | 3.50 | 13,500 | 47,250 | 58.55 | 2,766 | 20 |
| Sage | 1.00 | 922,215 | 922,215 | 58.55 | 53,996 | 6 |
| Waste | .50 | 4,822 | 2,411 | 58.55 | 141 | 3 |
| Commercial Timber | 5.50 | 1,126 | 6,193 | 58.55 | 363 | 32 |
| Forest Service | | | | | | |
| Grazing - Class II | 3.50 | 465,761 | 1,630,164 | 58.55 | 95,446 | 20 |
| Sage & Waste | 1.00 | 14,529 | 14,529 | 58.55 | 851 | 6 |
| Commercial Timber | 5.50 | 80,289 | 441,590 | 58.55 | 25,855 | 32 |
| Totals | $ 2.04 | 1,502,778 | $ 3,067,032 | 58.55 | $ 179,575 | 12¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency U.S. Forest Service
Uncompahgre, Grand Mesa, White River & Manti-La Sal
Revenue Sharing Program National Forests (25%)[a/]

County Mesa

State Colorado

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 × a/) |
|---|---|---|---|---|---|
| 1957 | $ 49,033 | $ 5,933 | $ 43,100 | $ 10,775 | $ 1,483 |
| 1958 | 62,120 | 3,284 | 58,836 | 14,709 | 821 |
| 1959 | 78,006 | 5,882 | 72,124 | 18,031 | 1,470 |
| 1960 | 83,219 | 7,835 | 75,384 | 18,846 | 1,959 |
| 1961 | 63,293 | 11,649 | 51,644 | 12,911 | 2,912 |
| 1962 | 60,302 | 15,834 | 44,468 | 11,117 | 3,958 |
| 1963 | 65,582 | 16,226 | 49,356 | 12,339 | 4,056 |
| 1964 | 66,569 | 16,981 | 49,588 | 12,397 | 4,245 |
| 1965 | 63,480 | 18,428 | 45,052 | 11,263 | 4,607 |
| 1966 | 73,517 | 25,461 | 48,056 | 12,014 | 6,365 |

Source: **Federal Agencies' Field Offices.**

CB-20

County Mesa

State Colorado

## TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACTED AREAS

| Years | Total School Budget | P.L. 815 Aid Provided | P.L. 815 % of Total Budget | P.L. 874 Aid Provided | P.L. 874 % of Total Budget |
|---|---|---|---|---|---|
| 1957 | $ 4,468,331 | $ 0 | 0 | $ 58,581 | 1.3 |
| 1958 | 4,166,848 | 30,135 | .7 | 57,709 | 1.4 |
| 1959 | 4,677,339 | 0 | 0 | 42,140 | .9 |
| 1960 | 5,108,006 | 0 | 0 | 36,988 | .7 |
| 1961 | 6,376,286 | 0 | 0 | 73,953 | 1.2 |
| 1962 | 6,429,707 | 0 | 0 | 71,564 | 1.1 |
| 1963 | 6,676,721 | 0 | 0 | 59,925 | .9 |
| 1964 | 7,466,794 | 0 | 0 | 68,325 | .9 |
| 1965 | 8,492,721 | 0 | 0 | 68,970 | .8 |
| 1966 | 9,597,386 | 0 | 0 | 68,008 | .7 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports.

# CASE COUNTY DIGEST
# MOFFAT, COLORADO

## I. The County

a. General Description: Moffat is a large, predominantly rural county located in the northwestern corner of Colorado, bordering on Utah and Wyoming. The county seat is Craig and there are two municipalities, one school district and eight special districts within the county, The two municipalities provide a limited range of public services which include the collection of taxes, law enforcement, fire protection sanitation, refuse collection, and utility operation. Though the assessment is provided by the county and the state, the latter is in respect of public utilities only. While the municipalities provide maintenance on streets within their jurisdiction, the county provides construction and maintenance of highways and streets in unincorporated areas. The school district provides its own administration and limited financial control, relying in all other aspects of its activities upon county government. The special districts are engaged in fire protection, sanitation facilities, water conservancy, the Moffat Tunnel operation, and the control of predatory animals.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 7,061 | 1966 | 2 | 7,000 | -0.9 |
| Urban[1] | 1960 | 1 | 3,982 | 1966 | 2 | 4,000 | 0.5 |
| Rural | 1960 | 1 | 3,079 | 1966 | 2 | 3,000 | -2.6 |
| Employment | 1959 | 3 | 1,020 | 1966 | 3 | 1,286 | 26.1 |
| Effective Buying Income ($000) | 1960 | 2 | 13,759 | 1966 | 2 | 19,132 | 39.1 |
| Per Capita EBI ($) | 1960 | 2 | 1,938 | 1966 | 2 | 2,733 | 41.0 |
| Public School Enrollment (K-12) | 1960 | 1 | 1,804 | 1965 | 4 | 2,100 | 16.4 |

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[1] Includes areas of 2,500 people or more.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U. S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U. S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

There was a small decline in county population during the 1960-1966 period, all of which occurred in the rural area. Employment, total effective buying income and per capita income all increased, with the latter attaining a well above-average level in 1966. Public school enrollment (K-12) increased substantially despite the population decline.

c. The Land: Moffat is one of the largest counties in the state, comprising over 3 million acres, almost 54% of which are in Federal ownership. Some 59,000 acres are, for the most part, under the jurisdiction of the National Park Service and are not subject to any PILT and RS program. The other Federal land in the county is comprised of the following:

| | |
|---|---|
| Forest Service (FS) - Routt and White River National Forests | 41,763 acres |
| Bureau of Land Management (BLM) - Grazing Districts TG-3 | 1,463,061 acres |
| - Outside Grazing TG-15 | 66,025 acres |
| - Mineral Leasing (acreage contained in other categories) | NA |
| Bureau of Sport Fisheries & Wildlife (BSF&W) - Browns Park National Wildlife Refuge | 3,262 acres |
| Total | 1,574,111 acres |

## II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the years 1957-1966. During this period total receipts increased by about $1.7 million, a rate of 74%. The largest rate of increase was in the collection of property taxes, 97%, and accounted for $700,000 of the increase in total receipts. The increase in other taxes and revenues reflects the modest increase in payments from RS programs and more substantial increases from other sources.

The county's combined indebtedness increased sharply from 1956 to 1966. The outstanding debt increased by over $1.9 million, most of which was applied to school construction and the refunding of school bonds issued during that period. The summary at the end of the case study digest contains details of the outstanding indebtedness in 1966.

Table No. C-1a shows a considerable increase in the collection of state taxes and local property taxes both per capita and as a percent of EBI. Collection of state taxes per capita increased at a rate of 93% while that for local property taxes was 77%. Combined they account for a per capita increase of 85% and an increase of 12% as a percent of EBI over the 10-year period. The level of taxation per capita in 1966 is substantially above average and identifies a substantial increase for that year over 1965 and all preceding years.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the period 1957-1966. Of the total increase of $1.7 million during the 10-year period, $900,000 is applicable to education expenses and only about $135,000 of the increase is reflected in expenditures for highways. Per capita expenditures reached $538 in 1966, an extremely high value which might be explained by the sparse population and the need to provide services over a very large land area.

c. Property Taxes: Table No. C-3 contains detailed data for the assessed value of property subject to taxes for the period 1957-1966. Total assessed value increased by only 24%, a rate substantially below that for the increase in property tax collection. This is explained by the steady increase in the average county tax rate which reached a new high in 1966. Moffat County in 1966 had not yet complied with state tax equalization requirements and the assessed values in Table No. C-3 reflect an average assessment of 20% of actual market value. It was indicated that rural properties are assessed at a lesser rate than the average, while urban, commercial, public utility and other nonrural properties are assessed at a substantially higher rate. This method of assessment and the resulting taxation favors all rural properties. This must, of course, be considered in estimating the potential tax revenues from Federal lands if these were in private ownership; i.e., Federal land must be assessed in a manner comparable with that of the present private properties.

Over 80% of the assessed value of mineral resources (Col. 5 of Table C-3) reflect improvements and possessory interests on mineral leasing. Oil, gas and coal exploration leases have been assessed and taxed by the county while grazing permits have not been treated in a like manner. The summary at the end of the case study digest contains appropriate details and shows that $159,000 were realized from the taxation of these possessory interests.

III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: Table No. C-4 contains acreage and payment figures by program for the 10-year study period to the extent that they are available. The figures shown for mineral leasing, which are not available for the period prior to 1961, reflect the total share attributable to mineral leasing revenues within Moffat County. Under state law, payments to any one county had been restricted to $200,000 prior to 1964 and were then raised to a maximum of $300,000. The records of Moffat County reflect that the county's share of the total RS from mineral leasing was not raised and the county received only $200,000 from this source in 1966. Though total RS payments allocable to Moffat County reached a high of over $459,000 in 1961 and almost $390,000 in 1966, the amount actually received by the county in 1966 represented 10% of total county revenues.

b. Indirect Benefits: Allocations were made to the county during each of the years of the 10-year study period from the BPR Sliding Scale highway aid program. The amounts obtained varied widely from year to year with the 1966 payment about average, $33,000.

c. Value of Free Goods and Services: The county has obtained the free use of certain tracts of land for rights-of-way, a cemetery site, and also free construction materials, all furnished by BLM. Table No. C-6 contains an estimate of the annual value of these free goods and services which totals about $4,300.

d. Federal Facilities and Services Having Joint Use: None of the three Federal agencies has reported the free use by the county of any of their facilities.

e. Resource Expenditures - Management: All three agencies involved in the management of RS-subject lands have made resource program expenditures in the county. Table No. C-7 contains a summary of the expenditures made by these agencies. However, BSF&W data were not available for any of the years except 1966 in which $32,000 were expended. The expenditures of the other two agencies are relatively small, considering the large acreage to which they apply. Tables No. C-7a1, 2 and 3 contain the detailed expenditures for each agency by expenditure category.

All three Federal agencies reported providing a full range of land management services. Reflecting the multiple use concept, there is considerable overlapping in the functions performed by the various agencies on their applicable land. For example, all reported being engaged in watershed development and protection, the construction and maintenance of roads and the improvement of grazing lands. None of the agencies reported that its program was in any way influenced by the RS provisions.

## IV. Burdens to Local Government

a. Direct Burdens: Local government officials indicated that the county does not incur any expenditures which are specifically attributable to the presence of public lands. They indicated that the reciprocal agreement with the FS for fire protection, for example, did not result in any incremental expenditures by the county. They likewise indicated that expenditures incurred for the provision of utility services to a lessee of public land are recovered from the user of such utility service. The sheriff's department is incurring some small incremental expenditures for law enforcement upon public lands but they were stated to be insignificant.

b. Indirect Burden: With the exception of a small acreage of water-adjacent land in the wildlife refuge and about 2,200 acres of irrigated pastureland, the public lands in the county are not only of relatively low value but, under the county's assessment practice, would be assessed at low values as they are in private rural properties. Table No. C-8 contains an estimate of the assessable value and the potential tax revenue which might obtain from the RS-subject lands if they were in private ownership. Since the assessment reflects the surface value of the land only, the potential tax revenue is inevitably smaller than the revenues accruing from the participation in the value of subsurface minerals. The totals in Table No. C-8 show a potential tax revenue of under $131,000, averaging 8¢ per acre.

c. Loss in Revenues as a Result of Sharing Net Versus Gross: K-V Fund collections by the FS increased sharply during the 10-year period when considered as a percent of gross receipts. The K-V Fund collection in 1957 equaled 16% of gross receipts. During the last three years of the study period these collections equaled 52%, 55% and 47%, respectively, of gross receipts. Consequently, the revenue share "lost" during these three years amounted to 111%, 122% and 89% respectively of the revenues shared.

d. Public Laws 815 and 874: The county has not qualified for payments under either of these two laws.

## V. Impact of Present System

a. County Finance: Moffat County derives considerable benefits from the present RS programs although the direct benefit to the county is substantially reduced by the application of the state limitation to mineral leasing payments.

Accounting for the full share of RS payments allocable to the county, the 1966 benefits are summarized as follows:

|  |  |
|---|---|
| Revenue Sharing (C-4) | $389,618 |
| Sliding Scale Payments (C-5) | 33,314 |
| Free Goods and Services (C-6) | 4,282 |
| Total Direct Benefits | $427,214 = 27¢/acre |

Limiting mineral leasing payments to the amount that the county is entitled to under Colorado law, the above benefits would be reduced by $80,653 and would result in a total of $346,561 equal to 22¢/acre. The actual payments received including free goods and services, as reported by the county, amounted to only $246,561 equal to 16¢/acre. Even the smallest of these figures substantially exceeds the tax potential of the land from which these benefits are derived.

b. The Overview: County officials in Moffat are appreciative of the benefits derived from the present RS programs since they recognize that these result in a greater contribution to county finance than would occur if the lands were in private ownership.

Though county officials are generally reluctant to discuss or criticize the low fee structure applicable to grazing permits, it was observed that private land owners are obtaining up to 10 times the fee obtained by the Federal government for grazing rights on comparable land. Inevitably, due to the low Federal fee, the county's flow of Federal revenues is much less than it might be otherwise.

Strong criticisms have been voiced of the Federal agencies' practice to condemn lands of the highest quality along creeks and riverbeds for roads and public rights-of-way. Though it is not entirely clear under which land management programs these condemnations take place, it was stated that these procedures have removed valuable assessed properties from the county's tax rolls and that no direct in lieu tax compensation is provided. The issue of indirect benefits which may have resulted from these land use programs has not been studied.

As in other public land-intense counties, it was observed in Moffat County that the pattern of Federal land ownership relating to smaller and isolated tracts is hindering the county's economy and the county officials claim to have urged the land management agencies to either dispose of these isolated tracts or to arrange for exchanges which would result in contiguous land ownership patterns.

## MOFFAT, COLORADO

### SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|---|
| BLM | | Grazing<br>Mineral | $<br>3,243,875 | $<br>159,000 |
| Forest Service | | Grazing | 0 | 0 |
| BSF&W | Total | Grazing | 0 | 0 |
| | | | $3,243,875 | $159,000 |

Source: Federal Agencies' Field Offices and County Tax Assessor.

### BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | | Face Value | Outstanding Balance |
|---|---|---|---|
| Schools | | $2,162,000 | $1,281,000 |
| Hospital | | 85,000 | 15,000 |
| Refunding | | 1,364,000 | 1,176,000 |
| | Total | $3,611,000 | $2,472,000 |

Source: Moffat County Audit Reports.

## TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Moffat

STATE Colorado

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 551,131 | $ 155,111 | $ 706,242 | $ 1,593,409 | $ 2,299,651 |
| 1958 | 576,151 | 157,093 | 733,244 | 1,620,528 | 2,353,772 |
| 1959 | 658,638 | 193,737 | 852,375 | 2,216,283 | 3,068,658 |
| 1960 | 688,416 | 193,977 | 882,393 | 1,806,063 | 2,688,456 |
| 1961 | 744,374 | 220,227 | 964,601 | 1,815,553 | 2,780,154 |
| 1962 | 757,656 | 214,103 | 971,759 | 2,177,326 | 3,149,085 |
| 1963 | 862,856 | 250,303 | 1,113,159 | 2,062,112 | 3,175,271 |
| 1964 | 1,024,293 | 285,563 | 1,309,856 | 2,168,174 | 3,478,030 |
| 1965 | 1,052,260 | 303,571 | 1,355,831 | 2,429,756 | 3,785,587 |
| 1966 | 1,096,152 | 296,050 | 1,392,202 | 2,602,323 | 3,994,525 |
| % incr./decr. '66 vs. 1st yr. | 98.9 | 90.9 | 97.1 | 63.3 | 73.7 |

Source: Moffat County Audit Reports.

C-14-8

## TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Moffat

STATE Colorado

| YEAR | State Taxes ($000) Sales & Gross Receipts (1) | Individual Income (2) | Other 1/ (3) | Total 1/ (4) | Total State Taxes % of EBI (5) | Total State Taxes Per Capita($) (6) | Local Property Taxes % of EBI (7) | Local Property Taxes Per Capita($) (8) | Total of State & Local Property Taxes % of EBI (9) | Total of State & Local Property Taxes Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 375 | 87 | 154 | 616 | 5.88 | 97.78 | 6.74 | 112.10 | 12.62 | 209.88 |
| 1958 | 395 | 96 | 160 | 651 | 5.57 | 100.15 | 6.28 | 112.81 | 11.85 | 212.96 |
| 1959 | 451 | 123 | 146 | 720 | 6.26 | 122.03 | 7.41 | 144.47 | 13.67 | 266.50 |
| 1960 | 537 | 136 | 185 | 858 | 6.24 | 120.84 | 6.41 | 128.28 | 12.65 | 249.12 |
| 1961 | 487 | 225 | 177 | 889 | 5.45 | 121.78 | 5.92 | 132.14 | 11.37 | 253.92 |
| 1962 | 548 | 240 | 176 | 964 | 5.87 | 130.27 | 5.92 | 131.32 | 11.79 | 261.59 |
| 1963 | 558 | 187 | 182 | 927 | 5.70 | 123.60 | 6.84 | 148.42 | 12.54 | 272.02 |
| 1964 | 615 | 211 | 181 | 1,007 | 5.60 | 132.50 | 7.28 | 172.34 | 12.88 | 304.84 |
| 1965 | 629 | 235 | 178 | 1,042 | 5.65 | 138.93 | 7.35 | 180.77 | 13.00 | 319.70 |
| 1966 | 892 | 269 | 160 | 1,321 | 6.90 | 188.71 | 7.28 | 198.88 | 14.18 | 387.59 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7).
Col. (10) = Col. (6) + Col. (8).

C14-9

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Moffat

STATE Colorado

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 666,347 | $ 531,442 | $ 892,052 | $ 2,089,841 | $ 332 |
| 1958 | 989,580 | 501,565 | 980,809 | 2,471,954 | 380 |
| 1959 | 1,263,897 | 583,637 | 1,089,545 | 2,937,079 | 498 |
| 1960 | 1,295,519 | 450,767 | 1,102,589 | 2,848,875 | 401 |
| 1961 | 1,151,158 | 608,132 | 1,101,505 | 2,860,795 | 392 |
| 1962 | 1,223,419 | 652,368 | 1,351,277 | 3,227,064 | 436 |
| 1963 | 1,184,041 | 755,373 | 1,360,637 | 3,300,051 | 440 |
| 1964 | 1,432,792 | 650,045 | 1,419,127 | 3,501,964 | 461 |
| 1965 | 1,561,930 | 813,349 | 1,546,850 | 3,922,129 | 523 |
| 1966 | 1,570,705 | 666,275 | 1,530,114 | 3,767,094 | 538 |
| % incr./decr.'66 vs. first year | 135.7 | 25.4 | 71.5 | 80.3 | 62.0 |
| % incr./decr.'66 vs. first year per capita | 111.3 | 13.1 | 54.2 | 62.0 | |

Source: Moffat County Audit Reports.
Col. (5): Col. (4) divided by population estimates, Sales Management.

County Moffat

State Colorado

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential | (2) Commercial, Industrial | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. | (6) Personal | (7) Other | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 2,534,310 | $2,056,340 | $1,563,270 | $ 3,790,325 | $ 3,169,850 | $ 3,592,920 | $ 1,830 | $ 16,708,845 |
| Aver. Tax Rate 42.0 mills | | | | | | | | |
| Item % of Total | 15.2 | 12.3 | 9.3 | 22.7 | 19.0 | 21.5 | 2/ | 100.0 |
| 1958 Assessed Value | 2,659,870 | 1,789,905 | 1,606,670 | 3,761,660 | 3,797,070 | 5,087,660 | 2,210 | 18,705,045 |
| Aver. Tax Rate 42.3 mills | | | | | | | | |
| 1959 Assessed Value | 2,880,490 | 1,796,955 | 1,594,950 | 3,766,840 | 4,411,915 | 5,471,245 | 2,165 | 19,924,560 |
| Aver. Tax Rate 45.6 mills | | | | | | | | |
| 1960 Assessed Value | 3,153,885 | 1,895,210 | 1,578,810 | 3,787,365 | 4,527,260 | 5,624,720 | 19,785 | 20,587,035 |
| Aver. Tax Rate 46.0 mills | | | | | | | | |
| 1961 Assessed Value | 3,257,255 | 2,115,500 | 1,558,770 | 3,791,730 | 5,610,020 | 5,549,915 | 22,995 | 21,906,185 |
| Aver. Tax Rate 45.5 mills | | | | | | | | |
| 1962 Assessed Value | 3,430,565 | 1,996,890 | 1,540,930 | 3,984,475 | 4,814,525 | 5,305,085 | 23,705 | 21,096,175 |
| Aver. Tax Rate 48.0 mills | | | | | | | | |
| 1963 Assessed Value | 3,593,970 | 2,117,910 | 1,558,550 | 4,160,945 | 3,759,310 | 5,231,935 | 39,585 | 20,462,205 |
| Aver. Tax Rate 56.6 mills | | | | | | | | |
| 1964 Assessed Value | 3,819,055 | 2,068,865 | 1,664,640 | 4,201,920 | 4,683,215 | 4,959,995 | 40,600 | 21,438,290 |
| Aver. Tax Rate 64.2 mills | | | | | | | | |
| 1965 Assessed Value | 3,811,265 | 2,317,855 | 2,150,324 | 4,216,575 | 3,982,655 | 4,151,755 | 45,515 | 20,675,944 |
| Aver. Tax Rate 63.7 mills | | | | | | | | |
| 1966 Assessed Value 1/ | 3,575,050 | 2,192,325 | 2,152,030 | 4,181,910 | 4,189,270 | 4,435,785 | 4,230 | 20,730,600 |
| Aver. Tax Rate 68.3 mills | | | | | | | | |
| Item % of Total | 17.1 | 10.6 | 10.4 | 20.2 | 20.2 | 21.5 | 2/ | 100.0 |
| Increase/Decrease '66 vs. '57 | 39.9 | 6.6 | 37.7 | 10.3 | 32.2 | 23.5 | 131.1 | 24.1 |

1/Assessed value represents 20 percent of actual market value in 1966.

2/ Less than 0.05%.

Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

C14-11

# PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-4
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO<br>COUNTY = MOFFAT | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 1271 | 1857 | 1826 | 1457 | 1189 | 860 | 722 | 831 | 646 | 898 |
| PERCENT BASE YEAR | 100.0 | 146.1 | 143.7 | 114.6 | 93.5 | 67.7 | 56.8 | 65.4 | 50.8 | 70.7 |
| PROGRAM ACREAGE | 41981 | 41981 | 41981 | 41981 | 41981 | 41741 | 41741 | 41741 | 41741 | 41763 |
| REVENUE $ PER ACRE | 0.03 | 0.04 | 0.04 | 0.03 | 0.03 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 |
| MIGRATORY BIRD ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1795 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 |
| PROGRAM ACREAGE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3262 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.55 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) * | NA | NA | NA | 423782 | 454601 | 399459 | 397851 | 407013 | 322992 | 380652 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 107.3 | 94.3 | 93.9 | 96.0 | 76.2 | 89.8 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 101 | 47 | 39 | 32 | 210 | 392 | 64 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 46.5 | 38.6 | 31.7 | 207.9 | 388.1 | 63.4 |
| TAYLOR GRAZE SECT 15 ** | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 1633 | 1217 | 1164 | 1465 | 2189 | 2287 | 2396 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 74.5 | 71.3 | 89.7 | 134.0 | 140.0 | 146.7 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 3102 | 2695 | 2663 | 3179 | 3393 | 3019 | 3809 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 86.9 | 85.8 | 102.5 | 109.4 | 97.3 | 122.8 |
| PROGRAM ACREAGE | NA | NA | NA | 1291343 | 1291343 | 1291343 | 1290803 | 1293669 | 1301908 | 1463061 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 1271 | 1857 | 1826 | 430075 | 459749 | 404185 | 403249 | 413636 | 329336 | 389614 |
| PERCENT BASE YEAR | 100.0 | 146.1 | 143.7 | 33837.5 | 36172.2 | 31800.5 | 31726.9 | 32544.1 | 25911.6 | 30654.1 |
| PROGRAM ACREAGE | 41981 | 41981 | 41981 | 1333324 | 1333324 | 1333084 | 1332344 | 1335410 | 1343649 | 1508086 |
| REVENUE $ PER ACRE | 0.03 | 0.04 | 0.04 | 0.32 | 0.34 | 0.30 | 0.30 | 0.31 | 0.25 | 0.26 |

NA = data not available. This county does not have any Nonsection 10 land programs.

* Under Colorado State law which placed a ceiling on mineral leasing RS to counties, Moffat received only $200,000 per year until 1966 and $300,000 per year thereafter.

**Total land available under program in 1966 was 66,025 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.068 is shown as $0.06. Revenues per acre for all programs combined are affected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

C14-17

## TABLE NO C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Moffat

STATE Colorado

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 87,507 | $ 9,582 |
| 1958 | 494,578 | 57,440 |
| 1959 | 448,533 | 52,092 |
| 1960 | 262,053 | 30,639 |
| 1961 | 250,706 | 31,940 |
| 1962 | 170,580 | 21,420 |
| 1963 | 297,039 | 36,432 |
| 1964 | 286,277 | 35,772 |
| 1965 | 463,507 | 58,131 |
| 1966 | 358,053 | 33,314 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC.

## TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Moffat

STATE: Colorado

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| BLM | Rights-of-way | $ 2,107 |
| | Construction Material | 2,025 |
| | Land | 150 |
| Forest Service | None | 0 |
| BSF&W | None | 0 |
| | Total | $ 4,282 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

County Moffat

State Colorado

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES 1/

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 80,501 | $ 9,863 | $ 90,364 |
| 1958 | 68,233 | 11,005 | 79,238 |
| 1959 | 115,921 | 11,671 | 127,592 |
| 1960 | 129,840 | 13,551 | 143,391 |
| 1961 | 148,350 | 14,012 | 162,362 |
| 1962 | 119,335 | 17,160 | 136,495 |
| 1963 | 164,792 | 22,686 | 187,478 |
| 1964 | 167,863 | 25,669 | 193,532 |
| 1965 | 164,352 | 30,301 | 194,653 |
| 1966 | 190,639 | 33,125 | 223,764 |
| Average Year | 134,983 | 18,904 | 153,887 |
| Item % of Total, Average Year | 87.7 | 12.3 | 100.1 |

1/ Forest Service and BLM only. BSF&W data not available 1957-1965. The 1966 budget amounted to $32,000 (all administrative).

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices.

C14-15

Federal Agency US Forest Service

Program White River & Routt National Forests

County Moffat

State Colorado

TABLE NO. C-7a

Page 1 of 3

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 468 | $ 645 | $ 0 | $ 1,996 | $ 1,775 | $ 2 | $ 533 | $ 24 | $ 3,921 | $ 9,364 |
| 1958 | 277 | 1,040 | 0 | 2,116 | 2,434 | 3 | 2,056 | 38 | 5,274 | 13,238 |
| 1959 | 477 | 935 | 29 | 7,327 | 3,124 | 3 | 1,840 | 82 | 1,775 | 15,592 |
| 1960 | 466 | 1,136 | 67 | 6,905 | 5,293 | 3 | 1,955 | 78 | 1,488 | 17,391 |
| 1961 | 791 | 1,837 | 80 | 5,340 | 6,980 | 247 | 3,037 | 263 | 787 | 19,362 |
| 1962 | 340 | 2,494 | 233 | 5,317 | 8,582 | 124 | 4,482 | 424 | 499 | 22,495 |
| 1963 | 1,110 | 2,277 | 688 | 10,697 | 7,719 | 379 | 6,186 | 419 | 7,003 | 36,478 |
| 1964 | 1,191 | 2,667 | 262 | 8,316 | 8,312 | 190 | 6,213 | 307 | 3,074 | 30,532 |
| 1965 | 2,133 | 2,607 | 52 | 16,055 | 9,317 | 163 | 5,237 | 535 | 1,554 | 37,653 |
| 1966 | 755 | 2,858 | 84 | 14,801 | 12,353 | 135 | 5,423 | 1,095 | 2,260 | 39,764 |

C14-16

Source: Federal Agencies' Field Offices.

Federal Agency Interior - BLM

Program All

County Moffat

State Colorado

TABLE NO. C-7a

FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 29,725 | $ 13,525 | $ 0 | $ 0 | $ 0 | $ 0 | $ NA | $ 37,750 | $ 81,000 |
| 1958 | 991 | 19,998 | 7,987 | 0 | 3,033 | 0 | 0 | NA | 33,991 | 66,000 |
| 1959 | 1,905 | 46,367 | 40,544 | 0 | 0 | 0 | 0 | NA | 23,184 | 112,000 |
| 1960 | 2,140 | 58,720 | 44,100 | 2,140 | 0 | 0 | 0 | NA | 18,900 | 126,000 |
| 1961 | 2,429 | 66,642 | 42,900 | 2,429 | 0 | 0 | 0 | NA | 28,600 | 143,000 |
| 1962 | 1,480 | 35,110 | 17,555 | 2,961 | 7,297 | 4,336 | 0 | NA | 45,261 | 114,000 |
| 1963 | 7,253 | 26,871 | 19,479 | 2,418 | 13,435 | 41,376 | 0 | NA | 40,168 | 151,000 |
| 1964 | 7,819 | 49,221 | 20,701 | 2,606 | 14,185 | 38,795 | 0 | NA | 29,673 | 163,000 |
| 1965 | 7,377 | 54,004 | 19,625 | 10,994 | 23,242 | 12,248 | 12,248 | NA | 17,262 | 157,000 |
| 1966 | 7,175 | 55,011 | 16,743 | 7.175 | 22,638 | 4,784 | 17,854 | NA | 52,620 | 184,000 |

Source: Federal Agencies' Field Offices.

C14-17

Federal Agency Bureau of Sport Fisheries & Wildlife

Program Browns Park National Wildlife Refuge

County Moffat

State Colorado

TABLE NO. C-7a

Page 3 of 3

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1959 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1960 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1961 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1962 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1963 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1964 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1965 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1966 | 300 | NA | NA | 1,000 | NA | NA | NA | 31,000 | NA | 32,300 |

Source: Federal Agencies' Field Offices.

C14-18

TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Moffat

STATE Colorado

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 x 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 x 5) (6) | Estimated Tax Per Acre (Col. 2 x 5) (7) |
|---|---|---|---|---|---|---|
| **Forest Service** | | | | | | |
| Grazing | $ 2.50 | 22,878 | $ 57,195 | 59.0 | $ 3,375 | 15c |
| Timber, Waste etc. | 1.00 | 18,885 | 18,885 | 59.0 | 1,114 | 6 |
| **BLM** | | | | | | |
| Grazing (uncut timber) | 2.50 | 101,352 | 253,380 | 59.0 | 14,949 | 15 |
| Grazing (cutover land) | 1.80 | 178,912 | 322,042 | 59.0 | 19,000 | 11 |
| Grazing (wasteland) | 1.20 | 1,248,822 | 1,498,586 | 59.0 | 88,417 | 7 |
| **BSF&W** | | | | | | |
| Agriculture | 2.50 | 40 | 100 | 59.0 | 6 | 15 |
| Irrigated Hay, Pasture | 26.00 | 2,175 | 56,550 | 59.0 | 3,336 | 153 |
| Dry Grazing | 1.80 | 665 | 1,197 | 59.0 | 71 | 11 |
| Water | 37.00 | 382 | 14,135 | 59.0 | 834 | 218 |
| Totals | $ 1.42 | 1,574,111 | $ 2,222,070 | 59.0 | $ 131,102 | 8c |

1/ Composite produced from estimates for each land class or type.

2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency US Forest Service

Revenue Sharing Program White River & Routt National Forests (25%)[a]

County Moffat

State Colorado

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Los (Col. 2 x a/) |
|---|---|---|---|---|---|
| 1957 | $ 6,095 | $ 1,006 | $ 5,089 | $ 1,272 | $ 252 |
| 1958 | 8,491 | 1,260 | 7,431 | 1,858 | 315 |
| 1959 | 8,170 | 863 | 7,306 | 1,827 | 216 |
| 1960 | 7,695 | 1,863 | 5,832 | 1,458 | 466 |
| 1961 | 6,803 | 2,045 | 4,758 | 1,190 | 511 |
| 1962 | 5,522 | 2,081 | 3,440 | 860 | 520 |
| 1963 | 5,528 | 2,336 | 2,891 | 723 | 584 |
| 1964 | 7,011 | 3,683 | 3,327 | 832 | 921 |
| 1965 | 5,745 | 3,158 | 2,587 | 647 | 790 |
| 1966 | 6,810 | 3,214 | 3,596 | 899 | 804 |

Source: Federal Agencies' Field Offices.

C14-20

# CASE COUNTY DIGEST
# MONTROSE, COLORADO

## I. The County

a. General Description: Montrose County, in western Colorado, borders on Utah, approximately 90 miles north of the New Mexican border. The county seat, Montrose, is approximately 200 miles southwest of Denver. Though this is a sparsely populated county, it contains four municipalities, 17 school districts and 15 special districts. These municipalities provide a full range of local public services including law enforcement, public safety, fire protection, local planning, etc. For all the broader types of services such as property assessment and tax collection, local services, resource development and planning, health, education and welfare, they rely upon the services of the county government. The special districts are mainly fire protection districts but there are also sanitation and utility operations and cemetery operation districts. With the exception of administration of the specific functions of these districts, they rely in all respects upon county government for the provision of needed services including those of a financial nature.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 18,286 | 1966 | 2 | 19,700 | 7.7 |
| Urban[1] | 1960 | 1 | 5,047 | 1966 | 2 | 5,400 | 7.0 |
| Rural | 1960 | 1 | 13,239 | 1966 | 2 | 14,300 | 8.0 |
| Employment | 1959 | 3 | 2,717 | 1966 | 3 | 2,961 | 9.0 |
| Effective Buying Income ($000) | 1960 | 2 | 26,621 | 1966 | 2 | 29,639 | 11.3 |
| Per Capita EBI ($) | 1960 | 2 | 1,439 | 1966 | 2 | 1,505 | 4.6 |
| Public School Enrollment (K-12) | 1960 | 1 | 4,709 | 1965 | 4 | 5,500 | 16.8 |

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[1] Includes areas of 2,500 people or more.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U. S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U. S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

Montrose County, unlike its neighbor Mesa County, did not grow substantially during the period 1960-1966. The population growth of about 1,400 people is concentrated in the rural area though the population in municipalities of 2,500 or more increased at about the same rate as the rural population. The employment growth in the county barely exceeded the population growth rate. Total effective buying income during the 1960-1966 period increased slightly, resulting in a reported per capita income which in 1966 was still substantially below the average for similar counties. Public school enrollment (K-12) increased at more than twice the population growth rate.

c. The Land: The total land area in the county exceeds 1.4 million acres, of which 960,000 acres are in Federal ownership and are subject to revenue sharing programs Some additional Federal lands, not subject to revenue sharing programs and administered by the National Park Service, are also located within the county. The Bureau of Reclamation manages the Curecanti Storage Unit which abuts the recreation area by the same name.

The lands subject to RS programs are composed of the following:

| | | |
|---|---|---|
| Forest Service (FS) | - Parts of Manti-La Sal, Gunnison, Grand Mesa and Uncompahgre National Forests | 335,114 acres |
| Bureau of Land Management (BLM) | - Grazing Districts, TG-3 | 624,889 acres |
| | - Mineral Leasing (acreage included in TG-3) | |
| Total | | 960,003 acres |

II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the years 1957-1966. During this period total receipts increased by about $2.6 million or 54%. Property tax revenue accounted for $935,000 of the increased revenues, a rate of growth of 65%, while Other Taxes and Revenues accounted for the increase of about $1.7 million, a rate of increase of 49%. Included in these Other Taxes and Revenues are payments from RS programs, although these were not substantial (in 1966 accounted for less than 1% of Other Taxes and Revenues).

The county's bonded indebtedness increased during the 1956-1966 period from $1.6 million to $2.3 million. Of this increase $500,000 was incurred in 1965 and 1966 for refunding bonds. The summary at the end of the case study digest contains figures by bond category for 1966.

Table No. C-1a indicates an increase in per capita state taxes and local property taxes of 37% over the 10-year period, and an increase of 13% in the tax share of total EBI. On a per capita basis the increases in state taxes and local property taxes are approximately the same.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the 10-year period. The increase between 1957 and 1966 in total expenditures amounted to over $2.7 million, a rate of increase of 56%. About half of the increased expenditures was for education and the other half for general county purposes, except construction and maintenance of highways which increased about $120,000 or 26%. On a per capita basis the increased expenditures reflect a 30% increase.

c. Property Taxes: Table No. C-3 contains detailed data for the assessed value of property subject to taxes for the period 1957-1966. An increase in the total assessed value of over $5.7 million is reflected, of which over $3 million are accounted for in the increased value of public utilities. As of 1966 all assessed values were equalized to reflect 30% of actual market value and were taxed at a weighted average mill rate of 71.7. Other than public utilities, the only items which showed substantial growth were residential and commercial-industrial properties. The assessed values of mineral, timber and other natural resources and personal properties declined.

The county has elected not to assess possessory interests and leaseholds on Federal lands though numerous leases on BLM and FS-managed lands exist. These include mineral leases for which substantial leasehold improvements have been located on the leased lands.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: The county benefited from the programs mentioned above; namely, the National Forest Fund, TG-3, and mineral leases. In addition, it also shared in some small revenues from the sale of public lands and materials. Table No. C-4 contains acreage and payment data for the 10-year study period, to the extent that these are available. Acreage relating to mineral leasing is not available because the BLM does not routinely maintain this information on a county basis. The lands subject to mineral leasing are reported to be located within the grazing districts.

Total payments under the RS programs declined during the last two years of the study period after reaching a high in 1964 of over $96,000. They declined to just under $46,000 in 1966. This amount is but a small fraction of total county revenues and represents a minor revenue source per applicable acre of Federal land.

b. Indirect Benefits: BPR Sliding Scale Highway Aid funds were allocated in Montrose County in each of the years of the 10-year study period. The amount of these payments varied and reached a high in 1959; in 1966 about the same payment of $58,700 was allocated to the county. During the years 1961-1965, the payments from this land-related aid program were less than those from RS though in prior years they exceeded payments from RS programs.

c. Value of Free Goods and Services: The county has benefited from the free use of considerable quantities of land for roads and rights-of-way and also from the supply of free construction materials furnished by BLM. Table No. C-6 contains an estimate of the annual value of these free goods and free use of land, $13,396.

d. Federal Facilities and Services Having Joint Use: The county has also benefited from the free use of a considerable quantity of roads constructed and maintained by the Federal agencies. Based on the construction and maintenance costs and the percentage of usage by the county, the annual value of these free uses of Federal facilities is estimated as follows:

| | |
|---|---|
| FS - Roads | $ 294 |
| BLM - Roads | 10,500 |
| Total | $10,794 |

e. Resource Expenditures - Management: The FS and the BLM made considerable resource program expenditures during each year of the 10-year study period. Table No. C-7 contains a summary of the expenditures for both agencies which reached a high of $529,464 in 1966 and averaged $320,000 per year. Of these resource expenditures, 32% were for capital expenditures. Tables No. C-7c1 and 2 contain expenditure details by expenditure category for each of the agencies.

Management functions of both Federal agencies comprise a full range of land management functions though only the FS is concerned with the development and maintenance of recreational facilities. It has also engaged in forest insect and disease control, and the issuance of permits for private land uses. Conversely, BLM is engaged in the issuance of grazing and mineral leasing permits.

## IV. Burdens to Local Government

a. Direct Burdens: While considerable benefits to the county were identified as a result of the free use of certain roads and tracts of land for roads and rights-of-way, the county incurs considerable expenses for the maintenance of roads located on the Federal lands and used by the Federal land management agencies. Additionally, financial burdens are incurred for law enforcement and fire protection on these Federal lands and, also, by the county's sanitation department. Based on the county records and those shares of its expenditures which are applicable to services directly relating to Federal lands, it was estimated that the following annual burdens are incurred:

| | |
|---|---|
| Maintenance of Roads | $64,320 |
| Law Enforcement | 20,000 |
| Fire Protection | 1,200 |
| Sanitation | 500 |
| Total | $86,020 |

b. Indirect Burden: Despite the relatively low surface values of Federal lands, if they were subject to property taxation they could yield considerable tax revenues. Table No. C-8 contains an estimate of the assessable values and the potential tax revenues from these Federal lands. It shows a total potential tax of over $160,000, an average of 17¢/acre, which revenue is considerably larger than that obtained from the present RS programs.

c. Loss in Revenues as a Result of Sharing Net Versus Gross: The FS collected K-V Funds in each year of the years during the 10-year study period. These collections steadily increased since 1958, the year in which the collection amounted to 7% of gross receipts, and reached a high of over $30,000, equal to 50% of gross receipts in 1966. As a result of the K-V Fund collection the revenue share "lost" in 1966 exceeded the RS payments to the county. In the two preceding years the revenue share "lost" was 57% and 76% respectively of the actual payment to the county.

Additionally, the RS payments to the county were reduced as a result of the FS's practice of reducing the value of the timber purchase contracts by the estimated cost of construction and reconstruction of harvest roads. If this reduction had not been made in 1966 -- it amounted to $7,149 -- the RS payment to the county would have been increased by $1,787.

d. Public Laws 815 and 874: The county qualified for some payments under PL's 815 and 874. The appropriate figures are shown in Table No. C-10.

## V. Impact of Present System

a. County Finance: The present RS system, including the benefits derived from sliding scale highway aid allocations and the free use of goods, services and facilities, has provided the county with only small benefits as compared with total county revenues or expenditures and the relationship of Federal land area to total county area. Benefits and burdens, based on the 1966 figure, are summarized as follows:

| | |
|---|---|
| Revenue Sharing (C-4) | $ 45,920 |
| Sliding Scale Payments (C-5) | 58,698 |
| Free Goods and Services (C-6) | 13,396 |
| Joint Use Facilities (III.d.) | 10,794 |
| Total Direct Benefits | $128,808 |

From these must be deducted the direct burdens attributable to the presence of public land:

| | |
|---|---|
| Direct Burdens (IV.a.) | $86,020 |
| Resulting Net Direct Benefits | $42,788 = 5c/acre |

This compares unfavorably with the potential tax revenue, if the lands were in private ownership, as shown in Table No. C-8. These potential revenues amount to over $160,000 and, even if it were to be assumed that the identified direct burdens were to continue, the county would still obtain a greater net benefit. Moreover, under the present system, RS payments have been declining and the BPR Sliding Scale Highway Aid payments depend not only on allocations to the county but also are applicable only to new highway construction. Contrarily, property tax revenues would be available to the county's general use and might be applied to those expenditures for which funds are most urgently needed. In summary, then, the present RS program does not yield revenues and other direct benefits to Montrose County which might be considered comparable with those which would accrue if the Federal lands were in private ownership.

b. The Overview: Montrose County officials fully recognize the poor and arid quality of most of the Federal lands in their county just as they recognize the economic consequence stemming from such lands. In the judgment of these officials, the Federal agencies managing the grazing and timber bearing lands have put them to their best possible uses and, in the aggregate and under the present RS programs, they cannot reasonably expect larger RS payments and other related benefits. The fluctuations in the revenues being paid to Montrose County have had a disruptive influence, and their decline during the past three years has made it virtually impossible for county officials to prepare reasonable budget estimates. It appears to be necessary, these officials have stated, that a way be found to provide for payments of greater stability so as to permit an orderly budgetary process. Likewise, these officials feel that the largest land owners in the county, viz. the Federal government, should contribute a larger share to the cost of public services, though no suggestions as to a specific system or a rationale for such a claim were made. Although the receipts from grazing activities under TG-3 have been very small, these monies cannot be spent by the county for any purposes other than range improvements under the dictates of the Taylor Grazing Act.

As is typical in all other counties, no direct revenues are derived from tourist and recreational activities upon Federal lands except for the revenue sharing relating to payments on Forest Service and BLM lands. The county as a whole and the designated recreational areas on Federal lands appear to have a considerable untapped potential; however, it must also be recognized that, if activities of this nature were to increase, the county's financial situation would not be considerably improved. Conversely, it appears that this is the only type of land use which holds the potential for an improvement in the overall county economy and indirectly for an improvement in the county's financial condition.

## MONTROSE, COLORADO

### SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| Forest Service | Commercial | $ 0 | $ 0 |
| | Grazing | 0 | 0 |
| BLM | Commercial | 0 | 0 |
| | Total | $ 0 | $ 0 |

Source: Federal Agencies' Field Offices and County Tax Assessor.

### BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $3,508,000 | $1,646,500 |
| Refunding | 516,000 | 500,000 |
| Airport | 100,000 | 63,000 |
| Hospital | 125,000 | 86,000 |
| Total | $4,249,000 | $2,295,500 |

Source: Montrose County Audit Reports.

## TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Montrose

STATE Colorado

C15-9

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 1,054,132 | $ 393,851 | $ 1,447,983 | $ 3,506,295 | $ 4,954,278 |
| 1958 | 1,159,749 | 435,504 | 1,595,253 | 3,694,901 | 5,290,154 |
| 1959 | 1,252,668 | 435,564 | 1,688,232 | 4,111,582 | 5,799,814 |
| 1960 | 1,310,779 | 457,154 | 1,767,933 | 4,589,180 | 6,357,113 |
| 1961 | 1,498,663 | 462,938 | 1,961,601 | 4,637,518 | 6,599,119 |
| 1962 | 1,597,448 | 465,438 | 2,062,886 | 5,046,996 | 7,109,882 |
| 1963 | 1,707,200 | 487,145 | 2,194,345 | 4,797,615 | 6,991,960 |
| 1964 | 1,746,652 | 486,918 | 2,233,570 | 5,305,951 | 7,539,521 |
| 1965 | 1,837,896 | 479,753 | 2,317,649 | 5,501,756 | 7,819,405 |
| 1966 | 1,906,314 | 476,579 | 2,382,893 | 5,226,940 | 7,609,833 |
| % incr./decr. '66 vs. 1st yr. | 80.8 | 21.0 | 64.6 | 49.1 | 53.6 |

Source: Financial statements of County Treasurer.

TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Montrose

STATE Colorado

|  | State Taxes ($000) |  |  |  | Total State Taxes |  | Local Property Taxes |  | Total of State & Local Property Taxes |  |
|---|---|---|---|---|---|---|---|---|---|---|
| YEAR | Sales & Gross Receipts (1) | Individual Income (2) | Other 1/ (3) | Total 1/ (4) | % of EBI (5) | Per Capita($) (6) | % of EBI (7) | Per Capita($) (8) | % of EBI (9) | Per Capita($) (10) |
| 1957 | 786 | 170 | 401 | 1,357 | 6.65 | 82.74 | 7.10 | 88.29 | 13.75 | 171.03 |
| 1958 | 829 | 194 | 422 | 1,445 | 6.10 | 84.50 | 6.74 | 93.29 | 12.84 | 177.79 |
| 1959 | 874 | 279 | 432 | 1,585 | 6.06 | 90.57 | 6.45 | 96.47 | 12.51 | 187.04 |
| 1960 | 981 | 263 | 483 | 1,727 | 6.49 | 93.35 | 6.64 | 95.56 | 13.13 | 188.91 |
| 1961 | 941 | 353 | 456 | 1,750 | 6.84 | 93.09 | 7.67 | 104.34 | 14.51 | 197.43 |
| 1962 | 1,030 | 377 | 454 | 1,861 | 7.22 | 97.43 | 8.00 | 108.00 | 15.22 | 205.43 |
| 1963 | 1,088 | 298 | 471 | 1,857 | 7.17 | 95.72 | 8.47 | 113.11 | 15.64 | 208.83 |
| 1964 | 980 | 335 | 468 | 1,783 | 6.25 | 90.51 | 7.83 | 113.38 | 14.08 | 203.89 |
| 1965 | 1,011 | 370 | 460 | 1,841 | 6.33 | 94.90 | 7.98 | 119.47 | 14.31 | 214.37 |
| 1966 | 1,354 | 417 | 430 | 2,221 | 7.49 | 112.74 | 8.04 | 120.96 | 15.53 | 233.70 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7).
Col. (10) = Col. (6) + Col. (8).

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

OUNTY Montrose

TATE Colorado

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 2,362,609 | $ 460,590 | $ 2,083,323 | $ 4,906,522 | $ 299 |
| 1958 | 2,399,660 | 475,877 | 2,371,588 | 5,247,125 | 307 |
| 1959 | 2,547,854 | 447,557 | 2,675,926 | 5,671,337 | 324 |
| 1960 | 3,059,675 | 435,643 | 2,758,250 | 6,253,568 | 338 |
| 1961 | 3,049,681 | 692,669 | 2,771,593 | 6,513,943 | 346 |
| 1962 | 3,697,626 | 459,042 | 3,210,585 | 7,367,253 | 386 |
| 1963 | 3,388,330 | 496,131 | 3,150,304 | 7,034,765 | 363 |
| 1964 | 3,624,593 | 522,918 | 3,171,781 | 7,319,292 | 372 |
| 1965 | 3,885,707 | 510,277 | 3,551,524 | 7,947,508 | 410 |
| 1966 | 3,665,979 | 580,511 | 3,424,259 | 7,670,749 | 389 |
| % incr./decr.'66 vs. first year | 55.2 | 26.0 | 64.4 | 56.3 | 30.1 |
| % incr./decr.'66 vs. first year per capita | 29.2 | 3.6 | 37.0 | 30.1 | |

Source: Financial statements of County Treasurer.
Col. (5): Col. (4) divided by population estimates, Sales Management.

County Montrose

State Colorado

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1)<br>Residential | (2)<br>Commercial, Industrial | (3)<br>Public Utility | (4)<br>Rural | (5)<br>Mineral, Timber Other Nat. Res. | (6)<br>Personal | (7)<br>Other | (8)<br>Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 3,984,580 | $ 2,960,725 | $ 2,821,410 | $ 6,583,120 | $ 3,676,750 | $ 7,475,230 | $ 0 | $ 27,481,815 |
| Aver. Tax Rate56.25 mills | | | | | | | | |
| Item % of Total | 14.5 | 10.7 | 10.2 | 13.4 | 13.4 | 27.2 | 0 | 100.0 |
| 1958 Assessed Value | 4,207,465 | 2,506,415 | 3,226,010 | 6,667,165 | 4,581,950 | 7,961,545 | 0 | 29,148,550 |
| Aver. Tax Rate58.29 mills | | | | | | | | |
| 1959 Assessed Value | 4,271,290 | 2,614,155 | 3,511,260 | 6,923,160 | 5,076,735 | 7,777,760 | 0 | 30,174,360 |
| Aver. Tax Rate58.35 mills | | | | | | | | |
| 1960 Assessed Value | 4,309,775 | 2,552,925 | 4,442,630 | 7,395,115 | 4,723,960 | 8,202,365 | 0 | 31,626,770 |
| Aver. Tax Rate58.13 mills | | | | | | | | |
| 1961 Assessed Value | 4,417,155 | 2,646,165 | 4,830,160 | 7,580,555 | 4,890,355 | 7,532,330 | 0 | 31,896,740 |
| Aver. Tax Rate62.95 mills | | | | | | | | |
| 1962 Assessed Value | 4,303,320 | 2,928,115 | 4,996,860 | 7,704,115 | 5,637,390 | 7,458,335 | 0 | 33,026,355 |
| Aver. Tax Rate63.89 mills | | | | | | | | |
| 1963 Assessed Value | 4,581,365 | 2,950,360 | 5,063,250 | 7,924,950 | 5,126,725 | 7,336,935 | 0 | 32,983,585 |
| Aver. Tax Rate67.84 mills | | | | | | | | |
| 1964 Assessed Value | 5,133,830 | 2,917,305 | 5,122,410 | 8,033,825 | 3,757,590 | 6,948,470 | 0 | 31,913,510 |
| Aver. Tax Rate71.29 mills | | | | | | | | |
| 1965 Assessed Value | 5,559,975 | 3,164,970 | 6,158,879 | 8,241,225 | 2,847,105 | 6,794,200 | 0 | 32,766,354 |
| Aver. Tax Rate70.73 mills | | | | | | | | |
| 1966 Assessed Value1/ | 5,669,799 | 4,355,536 | 5,859,430 | 7,764,320 | 2,773,715 | 6,641,305 | 155,890 | 33,219,995 |
| Aver. Tax Rate71.73 mills | | | | | | | | |
| Item % of Total | 17.1 | 13.1 | 17.6 | 23.4 | 8.3 | 20.0 | 0.5 | 100.0 |
| Increase/Decrease '66 vs. '57 | 42.3 | 48.1 | 107.7 | 18.0 | (24.6) | (11.2) | N.C. | 20.9 |

1/ Assessed value represents 30 percent of actual market value in 1966.

Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-6
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ----- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO<br>COUNTY = MONTROSE | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 7607 | 12421 | 12391 | 13284 | 7360 | 5951 | 6523 | 7768 | 6791 | 7483 |
| PERCENT BASE YEAR | 100.0 | 163.3 | 162.9 | 174.6 | 96.8 | 78.2 | 85.7 | 102.1 | 89.3 | 98.4 |
| PROGRAM ACREAGE | 334311 | 334311 | 334311 | 334311 | 334311 | 334311 | 334311 | 335041 | 335041 | 335116 |
| REVENUE $ PER ACRE | 0.02 | 0.03 | 0.03 | 0.03 | 0.02 | 0.01 | 0.01 | 0.02 | 0.02 | 0.02 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 66049 | 52573 | 76636 | 82472 | 87167 | 60138 | 37243 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 79.6 | 116.0 | 124.9 | 132.0 | 91.0 | 56.4 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 420 | 153 | 70 | 77 | 140 | 133 | 31 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 36.4 | 16.7 | 18.3 | 33.3 | 31.7 | 7.4 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 932 | 836 | 817 | 1193 | 1093 | 1140 | 1161 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 89.7 | 87.7 | 128.0 | 117.3 | 122.3 | 124.6 |
| PROGRAM ACREAGE | NA | NA | NA | 576759 | 576599 | 576479 | 700274 | 575820 | 575917 | 624889 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 7607 | 12421 | 12391 | 80685 | 60922 | 83474 | 90265 | 96168 | 68202 | 45918 |
| PERCENT BASE YEAR | 100.0 | 163.3 | 162.9 | 1060.6 | 800.9 | 1097.3 | 1186.6 | 1264.2 | 896.6 | 603.6 |
| PROGRAM ACREAGE | 334311 | 334311 | 334311 | 911070 | 910910 | 910790 | 1034585 | 910861 | 910958 | 960005 |
| REVENUE $ PER ACRE | 0.02 | 0.03 | 0.03 | 0.08 | 0.06 | 0.09 | 0.08 | 0.10 | 0.07 | 0.04 |

NA = data not available. This county does not have any [illegible] 10 land program.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $3.058 is shown as $3.05. Revenues per acre for all programs combined are affected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Montrose

STATE Colorado

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 104,859 | $ 12,178 |
| 1958 | 266,158 | 30,911 |
| 1959 | 507,694 | 58,963 |
| 1960 | 600,209 | 44,792 |
| 1961 | 228,426 | 29,101 |
| 1962 | 82,964 | 10,418 |
| 1963 | 137,382 | 19,303 |
| 1964 | 189,156 | 23,436 |
| 1965 | 329,355 | 41,306 |
| 1966 | 449,750 | 58,698 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC.

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Montrose

STATE: Colorado

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Land for Roads & Rights-of-way | $<br>5,062 |
| BLM | Fence Posts | 220 |
|  | Sandstone & Rock | 8,114 |
|  | Total | $ 13,396 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

County Montrose

State Colorado

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 125,219 | $ 24,106 | $ 149,325 |
| 1958 | 122,939 | 56,744 | 179,683 |
| 1959 | 157,225 | 68,879 | 226,104 |
| 1960 | 185,349 | 50,501 | 235,850 |
| 1961 | 226,506 | 58,699 | 285,205 |
| 1962 | 203,130 | 91,734 | 294,864 |
| 1963 | 228,056 | 123,700 | 351,756 |
| 1964 | 306,823 | 156,217 | 463,040 |
| 1965 | 279,848 | 205,996 | 485,844 |
| 1966 | 352,132 | 177,332 | 529,464 |
| Average Year | 218,723 | 101,391 | 320,114 |
| Item % of Total, Average Year | 68.3 | 31.7 | 100.0 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices.

Federal Agency US Forest Service

Program Gunnison & Manti-LaSal National Forests

County Montrose

State Colorado

TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURES

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 1,894 | $ 6,796 | $ 1,801 | $ 2,557 | $ 19,843 | $ 10,934 | $ 3,687 | $ 1,704 | $ 26,089 | $ 75,325 |
| 1958 | 1,447 | 21,015 | 6,416 | 42,092 | 13,670 | 908 | 10,652 | 384 | 21,311 | 118,683 |
| 1959 | 2,435 | 21,861 | 5,932 | 60,404 | 13,816 | 26 | 13,668 | 230 | 4,732 | 123,104 |
| 1960 | 3,492 | 21,966 | 2,231 | 31,091 | 15,077 | 4,221 | 9,776 | 1,403 | 30,615 | 119,850 |
| 1961 | 4,457 | 30,188 | 3,734 | 51,500 | 23,995 | 2,789 | 19,577 | 1,371 | 13,194 | 153,203 |
| 1962 | 5,253 | 18,037 | 7,775 | 55,195 | 33,363 | 4,448 | 27,963 | 4,214 | 34,614 | 190,884 |
| 1963 | 8,992 | 39,077 | 9,894 | 43,738 | 42,969 | 3,262 | 39,230 | 7,362 | 17,432 | 212,736 |
| 1964 | 7,053 | 40,447 | 4,633 | 114,797 | 77,788 | 4,567 | 32,824 | 7,666 | 24,283 | 314,060 |
| 1965 | 10,177 | 44,539 | 2,963 | 113,379 | 95,318 | 3,200 | 39,612 | 7,933 | 20,719 | 341,864 |
| 1966 | 5,922 | 45,385 | 3,168 | 152,455 | 77,810 | 1,138 | 41,090 | 5,199 | 28,289 | 360,466 |

Source: Federal Agencies' Field Offices.

Federal Agency Interior - BLM

Program All

County Montrose

State Colorado

TABLE NO. C-7a

Page 2 of 2

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 27,899 | $ 12,579 | $ 0 | $ 0 | $ 0 | $ 0 | $ NA | $ 33,522 | $ 74,000 |
| 1958 | 978 | 18,974 | 9,025 | 0 | 2,990 | 0 | 0 | NA | 29,033 | 61,000 |
| 1959 | 1,958 | 45,528 | 37,597 | 0 | 0 | 0 | 0 | NA | 17,917 | 103,000 |
| 1960 | 2,551 | 58,000 | 40,367 | 2,551 | 0 | 0 | 0 | NA | 12,531 | 116,000 |
| 1961 | 2,377 | 62,435 | 36,035 | 2,377 | 0 | 0 | 0 | NA | 28,776 | 132,000 |
| 1962 | 1,454 | 31,307 | 17,039 | 2,811 | 5,719 | 4,265 | 0 | NA | 41,385 | 104,000 |
| 1963 | 9,728 | 33,918 | 22,655 | 3,199 | 14,592 | 33,918 | 0 | NA | 20,990 | 139,000 |
| 1964 | 7,602 | 43,354 | 17,876 | 2,534 | 12,670 | 35,615 | 0 | NA | 29,349 | 149,000 |
| 1965 | 7,200 | 47,956 | 16,844 | 9,644 | 16,844 | 10,800 | 11,956 | NA | 22,756 | 144,000 |
| 1966 | 7,261 | 51,545 | 15,551 | 7,261 | 16,735 | 4,737 | 23,996 | NA | 41,914 | 169,000 |

Source: Federal Agencies' Field Offices.

C15-11

TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Montrose

STATE Colorado

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | | | | | | |
| Grazing - Class I | $ 6.00 | 113,439 | $ 680,634 | 61 | $ 41,519 | 37¢ |
| Grazing - Class II | 4.00 | 116,000 | 464,000 | 61 | 28,304 | 24 |
| Grazing - Class III | 2.84 | 22,563 | 64,079 | 61 | 3,909 | 17 |
| Grazing - Class IV | 2.50 | 80,463 | 20,158 | 61 | 1,230 | 15 |
| Timberland | 8.10 | 1,449 | 11,737 | 61 | 716 | 49 |
| Waste | 1.25 | 1,200 | 1,500 | 61 | 92 | 8 |
| BLM | | | | | | |
| Grazing - Class I | 3.00 | 180,759 | 542,277 | 61 | 33,079 | 18 |
| Grazing - Class II | 2.50 | 139,522 | 348,805 | 61 | 21,277 | 15 |
| Grazing - Class III | 2.00 | 149,594 | 299,180 | 61 | 18,250 | 12 |
| Waste | 1.25 | 155,014 | 193,768 | 61 | 11,819 | 8 |
| Totals | $ 2.74 | 960,003 | $ 2,626,138 | 61 | $ 160,195 | 17¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency US Forest Service

Revenue Sharing Program Gunnison & Manti-LaSal National Forests (25%)a/

County Montrose

State Colorado

TABLE NO. 9

THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 x a/) |
|---|---|---|---|---|---|
| 1957 | $ 36,494 | $ 6,054 | $ 30,440 | $ 7,610 | $ 1,513 |
| 1958 | 53,390 | 3,642 | 49,748 | 12,437 | 910 |
| 1959 | 61,834 | 6,186 | 55,648 | 13,912 | 1,546 |
| 1960 | 60,172 | 7,112 | 53,060 | 13,265 | 1,778 |
| 1961 | 37,435 | 7,991 | 29,444 | 7,361 | 1,998 |
| 1962 | 33,099 | 9,291 | 23,808 | 5,952 | 2,323 |
| 1963 | 34,154 | 8,058 | 26,096 | 6,524 | 2,014 |
| 1964 | 48,918 | 17,854 | 31,064 | 7,766 | 4,464 |
| 1965 | 47,801 | 20,633 | 27,168 | 6,792 | 5,158 |
| 1966 | 60,092 | 30,156 | 29,936 | 7,484 | 7,539 |

Source: Federal Agencies' Field Offices.

County Montrose

State Colorado

## TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION. MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACTED AREAS

| Years | Total School Budget | P.L. 815 Aid Provided | P.L. 815 % of Total Budget | P.L. 874 Aid Provided | P.L. 874 % of Total Budget |
|---|---|---|---|---|---|
| 1957 | $ 2,362,609 | $ 8,300 | 0.4 | $ 0 | 0 |
| 1958 | 0 | 0 | 0 | 0 | 0 |
| 1959 | 0 | 0 | 0 | 0 | 0 |
| 1960 | 0 | 0 | 0 | 0 | 0 |
| 1961 | 0 | 0 | 0 | 0 | 0 |
| 1962 | 0 | 0 | 0 | 0 | 0 |
| 1963 | 0 | 0 | 0 | 0 | 0 |
| 1964 | 3,624,593 | 0 | 0 | 13,249 | 0.4 |
| 1965 | 3,885,707 | 188,500 | 4.9 | 35,024 | 0.9 |
| 1966 | 3,665,979 | 0 | 0 | 72,906 | 2.0 |

Sources: Office of Education, U.S. Department of Health, Education, & Welfare, and County Audit Reports.

## CASE COUNTY DIGEST
## RIO BLANCO, COLORADO

### I. The County

a. General Description: Rio Blanco is a small, sparsely populated county in northwestern Colorado. It contains a conventional form of county government headed by a Board of Commissioners, two incorporated towns (Meeker and Rangely), three school districts, one of which (Re3), is joint with the adjacent Routt County, and seven special districts which are engaged in resource development, surveying, sanitation and cemetery operation.

Governmental activity by county and towns generally overlaps; towns, however, do not engage in tax collection, recording of legal documents and the conduct of a general court. Governmental power rests in the county under the leadership of the three county commissioners.

All local taxes, except for public utilities, are assessed and collected by the county. Public utilities are assessed by the State Tax Commission. Nearly all of the governmental receipts and disbursements flow through the County Treasurer's Office.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 5,150 | 1966 | 2 | 5,100 | -1.0 |
| Urban[1] | 1960 | 1 | 0 | 1966 | 2 | 0 | 0.0 |
| Rural | 1960 | 1 | 5,150 | 1966 | 2 | 5,100 | -1.0 |
| Employment | 1959 | 3 | 741 | 1966 | 3 | 786 | 6.1 |
| Effective Buying Income ($000) | 1960 | 2 | 11,260 | 1966 | 2 | 12,563 | 11.6 |
| Per Capita EBI ($) | 1960 | 2 | 2,165 | 1966 | 2 | 2,463 | 13.8 |
| Public School Enrollment (K-12) | 1960 | 4 | 1,493 | 1965 | 4 | 3,103[2] | 107.8 |

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1/ Includes areas of 2,500 people or more.

2/ The large increase results from a consolidation of school districts which make the 1960-1966 figures incomparable. On a consistent basis no significant increase has occurred.

Sources: See Page C16-2.

These figures indicate that the county population did not materially change, in fact, it declined by an estimated 900 persons in the 1957-1966 period. Effective buying income, though, rose discernibly during that period.

c. The Land: Of the total land area of 2.1 million acres, more than 75% is in Federal ownership. The state and county own very small quantities of land. The Federal land is composed of:

| | |
|---|---|
| Forest Service (FS) | 357,944 acres |
| Bureau of Land Management (BLM) | |
| TG-3 | 1,191,977 acres |
| TG-15 | 25,785 acres |
| Total Federal Land | 1,575,706 acres |

With the exception of some 10,000 acres, all the Federal land is subject to revenue sharing. The Bureau of Land Management administered lands contain extensive mineral leases. These constitute the primary economic activity in the county.

## II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the period 1957-1966. During this period total receipts rose by $1.7 million, or 75%. However, in 1957 almost $300,000 of the $1.6 million in property taxes were collected for the state while all of the $2.4 million collected in 1966 were for the county only, a net increase of $1.1 million, or an increase of about 85% in the net county property tax collection.

Figures in Table No. C-1 include receipts from Federal revenue sharing as received by the county. The receipts from RS under the Mineral Leasing Act were limited, by Colorado statute, to a maximum of $200,000 per year until 1963 and since 1964 to a ceiling of $300,000. The amount "generated" in the county, in 1966, exceeds the ceiling by $1.6 million, or approximately 41% of total county receipts.

The conservative fiscal policy of the county is exemplified by its resolution not to incur indebtedness for purposes other than school construction. Bonded indebtedness in 1959 ($2.8 million) was refunded in part with a 1963 issue ($2.4 million) resulting in a total

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Sources: 1. U.S. Bureau of the Census, U.S. Census of Population, 1960.
2. Sales Management, Survey of Buying Power, 1961 and 1967.
3. U.S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U.S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

current outstanding debt of about $3.6 million. This was the approximate average outstanding balance for the 10-year period. It equals about 90% of the last year's revenue. A summary of bonded indebtedness is included at the end of the case study digest.

Per capita taxes as shown in Table No. C-1a increased from $77 to $126 during the 1957-1966 period while local property taxes increased from $266 to $471. Total state and local property taxes increased 74% per capita and 35% as a percent of EBI.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the period 1958-1966 (the data for 1957 were unavailable). Expenditures increased at about the same rate as revenues and were reasonably balanced. Expenditures for education rose most sharply, more than double, while expenditures for highways and other items increased only nominally. It was learned that these items were limited to previous levels at a sacrifice in quality and quantity due to the limitations imposed by available revenue.

c. Property Tax: Table No. C-3 contains detailed data for the assessed value of property subject to tax for the period 1957-1966. The assessed values declined from $83.9 million in 1957 to $62.0 million in 1966, a decline of almost $20 million, or about 25%. The entire reduction in the assessments was accounted for in the largest category, mineral and mining lands (col. 5), its share of the base declined from 82% in 1957 to 74% in 1966. While the ratio of assessed value to market value remained constant at 33-1/3%, state law required equalization to a 30% level. The average tax rate increased by 90%, from 20 mills to 38 mills, despite the removal of the state levy which in 1957 accounted for about 25% of the rate.

Included in the tax base are the assessed values of possessory interests on Federal lands relating to mining and mineral exploration. Though numerous grazing, residence and miscellaneous permits are in force, the county did not take advantage of its legal right to assess these and include them in taxable property (except for about $1,000 assessed value on grazing lands). The mineral and mining improvements account for about $32 million in assessed value and yield about $1.2 million in tax revenue. Thus, they are the single largest item both in the tax base and as a source of revenue (see also summary of leaseholds and possessory interests at the end of the case study digest).

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: As stated under I.c. only the FS and BLM have active RS programs in the county.

Total direct revenue from these RS programs amounted to a high of $2,138,300 in 1964 and a low of $1,970,328 in 1966; the reduction is attributable to the ceiling on mineral leasing which accounts for about 99% of total direct RS payments over the period.

Table No. C-4 contains the detailed figures for the 10-year period, to the extent that these are available.

b. Indirect Benefits: Because the State of Colorado is eligible for the BPR Sliding Scale Aid Program, the county has benefited from allocations to the ABC program. Total Federal aid to the county and the share allocable to the presence of public lands for the 10-year period are shown in Table No. C-5. These payments varied from a high of $45,662 to a low of $1,118 in 1966. The wide variation in payments is attributable to budget and activity (road construction) changes rather than a public land-related function.

c. Value of Free Goods and Services: From time to time the county obtains free of charge a variety of goods and services including land, sand and gravel, fence posts and the like. Based on estimates of the various supplying agencies of the value of goods and services provided, it was calculated that their annual benefit amounted to approximately $12,600. The annualized value of the free goods provided by supplying agencies is shown in Table No. C-6.

d. Federal Facilities and Services Having Joint Use: None of the agencies reported the existence of joint use services either on the stated lands or adjacent lands.

e. Resource Expenditures - Management: Within the framework of the Federal agencies' routine land management functions, which include the improvement of the lands, considerable sums are spent annually for administrative and operating as well as capital items. Table No. C-7 contains an annual summary of funds expended by all agencies for administrative and operating as well as capital expenditures. Tables C-7a contain the functional expenditure details for each agency. Over the 10-year period these resource program expenditures more than tripled -- $161,000 in 1957 as compared with $490,000 in 1966 -- without any apparent increase (in fact a noticeable decline) in the utilized productive output of these lands (this is evident from the figures in Table No. C-4). Some insight is gained by reviewing the expenditures for administrative and operating purposes. They accounted for $345,000 in 1966.

Based on the survey of management functions performed by the Federal agencies, it is evident that a large part of the non-capital expenditures are incurred for improvements of various types; however, these do not appear to be directly related, for the most part, to a plan specifying any long-run economic objectives such as the increased or improved utilization of the lands within the framework of RS programs. In fact, both agencies reported that their management practices were not influenced by any of the RS programs.

## IV. Burdens to Local Government

a. Direct Burdens: The existence of public lands causes several kinds of direct financial burdens upon local government, specifically the county government. Discussions with local government officials and review of their records indicate the following annual burdens, net of specific reimbursement by Federal agencies:

| | |
|---|---|
| Maintenance of Roads | $150,000 |
| Law Enforcement | 10,000 |
| Fire Protection | 500 |
| Total Direct Burdens | $160,500 |

b. Indirect Burden: The Federal lands' immunity to taxation by local governments represents the loss of an important revenue source. Just how much real estate tax revenue is being lost can be estimated though not definitively ascertained. There are many reasons for this. Low value lands are typically subject to tax forfeiture. Assessing and taxing such lands does not necessarily produce any revenue. Of course, such eventuality should not be assumed for the highly productive lands under mineral leases. An estimate of the potential assessed values and resulting tax revenues, as shown in Table No. C-8, results in a total potential tax of over $135,442 equal to 9¢/acre.

c. Loss in Revenues as a Result of Sharing Net Versus Gross: The FS calculates the revenues available for sharing after deduction of certain specified costs. Table No. C-9 lists the pertinent data for the amount "lost" as a result of sharing net versus gross. This "loss" amounted to $3,465 in 1964, the year of the highest reduction, and $2,950 in 1966. In 1965 and 1966 these "losses" represented 50% and 40% respectively of the net payment.

d. Public Laws 815 and 874: The county does not qualify for these aid programs.

## V. Impact of Present System

a. County Finance: The impact of the present system upon county and other units of local government can be measured, to some extent, by a comparative analysis of the net financial benefits and losses. The net benefit (not all of which accrues to the county as a result of Colorado State statutes) is composed of the following items (1966 figures):

| | |
|---|---|
| Revenue Sharing (C-4) | $2,035,136 |
| Sliding Scale Payments (C-5) | 1,120 |
| Free Goods and Services (C-6) | 12,600 |
| Total Direct Benefits | $2,048,856 |

From these must be deducted the financial burdens resulting from the existence of public land:

| | |
|---|---|
| Direct Burdens (IV.a.) | $ 160,500 |
| Resulting Net Direct Benefits | $1,888,356 = $1.19/acre |

However, if only the actual county receipts from mineral leasing revenues -- $300,000 per year as compared with $2,023,022 -- are included, the calculation is as follows:

| | |
|---|---|
| Total Direct Benefits | $325,834 |
| Direct Burdens | 160,500 |
| Resulting Net Benefits | $165,334 = 10¢/acre |

The above figures, compared with the potential real tax revenue as estimated (C-8), show that under the existing system, including the payment to the state, the revenue is over 13 times as much as might be realized from private ownership. Excluding the mineral leasing payment to the state, the net benefit to the county is slightly more than the potential tax receipts from private ownership. Of course, this situation -- the much larger receipts with the full mineral leasing payments -- is due entirely to the fact that mineral leasing revenues are not related to land values or land area but rather to the value of economic activity. In the absence of a comparable "tax" on mineral activities on private lands, it is quite obvious that the state and county participation in the "payment in lieu of mineral rights compensation" (as a private owner might have been expected to have paid another private owner for the mineral rights) will typically result not only in higher revenues than those applicable to the (surface) real property tax but, in fact, represents a special type of governmental revenue.

b. The Overview: As a result of the state's restricting the county's direct share of RS payments, the most significant impact from the existence of public lands subject to RS is in the areas of indirect benefits which is beyond the scope of this study. Federal resource expenditures, for example, play an important role in the overall county economy. As stated, they have no direct influence nor are they planned to affect the economic activity on these public lands. County officials express the view that Federal land management practices might be adjusted so as to (1) obtain greater efficiency, viz. reduce administrative costs, and (2) dedicate the expenditures to purposes which would have a direct discernible effect upon the near and long-term economic activity in the county.

While local government officials appear to be taking for granted the cash revenue and in-kind benefits from the existing RS programs, there is no evidence that their fiscal planning is, for example, geared to absorb the year-to-year fluctuations in payments. Also, these officials appear well aware of the advantages in the mineral leasing RS programs; however, they are resentful of the state-imposed ceiling.

The Federal agency point of view is that the local governments could never afford to provide the quality and scope of land management they are providing. Without doubt, this is a correct assertion. There remains, however, the question: What economic benefit does and will result from this level of land management? It, as stated, does not appear to influence in any way the levels of activity and consequently the magnitude of the RS programs and, as such, the RS subjected lands' impact upon local and county governments' finances.

# RIO BLANCO, COLORADO

## SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| FS | Grazing Leases | 0 | 0 |
| BLM | Residences Lease | 0 | 0 |
| | Utility Lease | 0 | 0 |
| | Mineral Leases | $31,579,000 | $1,200,000 |
| | Total | $31,579,000 | $1,200,000 |

Source: Federal Agencies' Field Offices.

## BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| School Construction | $5,330,000 | $3,630,000 |
| Total | $5,330,000 | $3,630,000 |

Source: Rio Blanco County School Districts.

C16-8

## TABLE NO C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Rio Blanco

STATE Colorado

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 1,502,860 | $ 95,927 | $ 1,598,787 | $ 639,515 | $ 2,238,302 |
| 1958 | 1,788,908 | 114,186 | 1,903,094 | 782,765 | 2,685,859 |
| 1959 | 1,703,182 | 144,087 | 1,847,269 | 1,069,184 | 2,916,453 |
| 1960 | 2,191,458 | 195,751 | 2,387,209 | 803,965 | 3,191,174 |
| 1961 | 2,069,993 | 219,822 | 2,289,815 | 893,325 | 3,183,140 |
| 1962 | 2,183,332 | 234,533 | 2,417,865 | 1,182,235 | 3,600,100 |
| 1963 | 2,214,806 | 243,358 | 2,458,164 | 1,248,369 | 3,706,533 |
| 1964 | 2,175,637 | 241,737 | 2,417,374 | 1,365,607 | 3,782,981 |
| 1965 | 2,246,817 | 222,213 | 2,469,030 | 1,410,777 | 3,879,807 |
| 1966 | 2,190,293 | 216,622 | 2,406,915 | 1,504,263 | 3,911,178 |
| % incr./decr. '66 vs. 1st yr. | 45.7 | 125.8 | 50.5 | 135.2 | 74.7 |

Source: Rio Blanco County Audit Reports.

C16-4

# TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME
## 1957 - 1966

COUNTY Rio Blanco

STATE Colorado

| | State Taxes ($000) | | | | Total State Taxes | | Local Property Taxes | | Total of State & Local Property Taxes | |
|---|---|---|---|---|---|---|---|---|---|---|
| YEAR | Sales & Gross Receipts (1) | Individual Income (2) | Other 1/ (3) | Total 1/ (4) | % of EBI (5) | Per Capita($) (6) | % of EBI (7) | Per Capita($) (8) | % of EBI (9) | Per Capita($) (10) |
| 1957 | 220 | 96 | 147 | 463 | 4.03 | 77.17 | 13.92 | 266.46 | 17.95 | 343.63 |
| 1958 | 225 | 93 | 138 | 456 | 4.05 | 81.43 | 16.88 | 339.84 | 20.93 | 421.27 |
| 1959 | 259 | 107 | 118 | 484 | 4.83 | 100.83 | 18.42 | 384.85 | 23.25 | 485.68 |
| 1960 | 267 | 111 | 136 | 514 | 4.56 | 98.85 | 21.20 | 459.08 | 25.76 | 557.93 |
| 1961 | 250 | 127 | 129 | 506 | 5.47 | 95.47 | 24.77 | 432.04 | 30.24 | 527.51 |
| 1962 | 265 | 134 | 126 | 525 | 5.74 | 99.06 | 26.42 | 456.20 | 32.16 | 555.26 |
| 1963 | 268 | 106 | 131 | 505 | 5.47 | 93.52 | 26.62 | 455.22 | 32.09 | 548.74 |
| 1964 | 287 | 117 | 128 | 532 | 5.32 | 98.52 | 24.20 | 447.66 | 29.52 | 546.18 |
| 1965 | 292 | 123 | 123 | 538 | 5.57 | 103.46 | 25.56 | 474.81 | 31.13 | 578.27 |
| 1966 | 352 | 177 | 116 | 645 | 5.13 | 126.47 | 19.16 | 471.94 | 24.29 | 598.41 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7).
Col. (10) = Col. (6) + Col. (8).

C16-10

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Rio Blanco

STATE Colorado

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA |
| 1958 | 1,051,838 | 663,388 | 1,038,452 | 2,753,678 | 492 |
| 1959 | 933,827 | 680,484 | 1,213,968 | 2,828,279 | 589 |
| 1960 | 1.601,277 | 511,336 | 1,184,105 | 3,296,718 | 646 |
| 1961 | 1,591,123 | 511,254 | 1,258,028 | 3,360,405 | 634 |
| 1962 | 1,533,762 | 575,375 | 1,057,256 | 3,166,393 | 597 |
| 1963 | 1,849,894 | 582,554 | 1,144,998 | 3,577,446 | 662 |
| 1964 | 1,990,042 | 634,462 | 1,162,688 | 3,787,192 | 701 |
| 1965 | 1,969,016 | 643,385 | 1,171,640 | 3,784,041 | 728 |
| 1966 | 2,124,221 | 704,309 | 1,155,230 | 3,983,760 | 781 |
| % incr./decr.'66 vs. first year | 101.9 | 10.6 | 11.1 | 44.7 | 58.7 |
| % incr./decr.'66 vs. first year per capita | 21.3 | 16.9 | 22.7 | 58.7 | |

Source: Rio Blanco County Audit Reports.
Col. (5): Col. (4) divided by population estimates, Sales Management.

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

County Rio Blanco

State Colorado

| Year | (1) Residential | (2) Commercial, Industrial | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. | (6) Personal | (7) Other | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 1,524,250 | $ 743,290 | $ 4,103,580 | $ 3,333,750 | $ 69,002,640 | $ 5,059,840 | $ 88,760 | $83,856,110 |
| Aver. Tax Rate 20 mills | | | | | | | | |
| Item % of Total | 1.7 | 0.7 | 4.7 | 3.7 | 82.1 | 6.0 | 1.0 | 100.0 |
| 1958 Assessed Value | 1,565,005 | 719,015 | 4,858,020 | 3,022,200 | 63,474,130 | 6,270,385 | 460,290 | 80,369,045 |
| Aver. Tax Rate 23 mills | | | | | | | | |
| 1959 Assessed Value | 1,587,430 | 800,990 | 4,786,210 | 2,999,095 | 58,432,435 | 6,169,510 | 469,235 | 75,244,905 |
| Aver. Tax Rate 24 mills | | | | | | | | |
| 1960 Assessed Value | 1,631,170 | 750,835 | 4,827,050 | 3,116,775 | 50,266,010 | 6,486,385 | 518,425 | 67,596,650 |
| Aver. Tax Rate 35 mills | | | | | | | | |
| 1961 Assessed Value | 1,794,510 | 1,135,485 | 4,719,820 | 3,235,645 | 48,387,145 | 6,462,385 | 18,560 | 65,753,550 |
| Aver. Tax Rate 34 mills | | | | | | | | |
| 1962 Assessed Value | 1,924,080 | 967,053 | 4,691,010 | 3,298,630 | 46,498,850 | 6,150,072 | 62,250 | 63,591,945 |
| Aver. Tax Rate 38 mills | | | | | | | | |
| 1963 Assessed Value | 1,999,165 | 802,195 | 4,739,360 | 3,263,800 | 45,255,135 | 6,181,685 | 56,775 | 62,298,115 |
| Aver. Tax Rate 39 mills | | | | | | | | |
| 1964 Assessed Value | 1,999,845 | 882,750 | 5,144,180 | 3,265,805 | 44,509,490 | 6,464,810 | 228,827 | 62,481,710 |
| Aver. Tax Rate 38 mills | | | | | | | | |
| 1965 Assessed Value | 2,032,260 | 951,245 | 5,253,995 | 3,273,880 | 43,724,100 | 5,542,513 | 715,225 | 61,493,218 |
| Aver. Tax Rate 40 mills | | | | | | | | |
| 1966 Assessed Value[1] | 2,112,265 | 1,048,070 | 5,903,670 | 2,977,585 | 45,645,500 | 4,526,425 | 0 | 62,013,515 |
| Aver. Tax Rate 38 mills | | | | | | | | |
| Item % of Total | 3.4 | 1.6 | 9.5 | 4.7 | 73.6 | 7.2 | 0 | 100.0 |
| Increase/Decrease '66 vs. '57 | 27.8 | 29.1 | 30.5 | (10.7) | (33.8) | (9.7) | (100.0) | (26.0) |

1/Assessed value represents 33-1/3 percent of actual market value in 1966.

Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO<br>COUNTY = RIO BLANCO | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 7327 | 10287 | 10663 | 9733 | 7549 | 6379 | 6219 | 6266 | 5964 | 7527 |
| PERCENT BASE YEAR | 100.0 | 140.4 | 145.5 | 132.8 | 103.0 | 87.1 | 84.9 | 85.5 | 81.4 | 102.7 |
| PROGRAM ACREAGE | 365262 | 365262 | 365262 | 365262 | 365262 | 365262 | 365262 | 365262 | 365262 | 357944 |
| REVENUE $ PER ACRE | 0.02 | 0.03 | 0.03 | 0.03 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($)* | NA | NA | NA | 2070514 | 2015434 | 1960724 | 1985077 | 2127888 | 1983595 | 2023021 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 97.3 | 94.7 | 95.9 | 102.8 | 95.8 | 97.7 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 356 | 213 | 413 | 193 | 263 | 197 | 316 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 59.8 | 116.0 | 54.2 | 73.9 | 55.3 | 88.8 |
| TAYLOR GRAZE SECT 15** | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 493 | 1267 | 508 | 802 | 878 | 1030 | 1168 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 257.0 | 103.0 | 162.7 | 178.1 | 208.9 | 236.9 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 2733 | 2113 | 2300 | 2975 | 3003 | 2791 | 3101 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 77.3 | 84.2 | 108.9 | 109.9 | 102.1 | 113.5 |
| PROGRAM ACREAGE | NA | NA | NA | 1189549 | 1189549 | 1189549 | 1189540 | 1189371 | 1189500 | 1191977 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 7327 | 10287 | 10663 | 2083829 | 2026576 | 1970324 | 1995266 | 2138298 | 1993577 | 2035133 |
| PERCENT BASE YEAR | 100.0 | 140.4 | 145.5 | 28440.4 | 27659.0 | 26891.3 | 27231.7 | 29183.8 | 27208.6 | 27775.8 |
| PROGRAM ACREAGE | 365262 | 365262 | 365262 | 1554811 | 1554811 | 1554811 | 1554802 | 1554633 | 1554762 | 1549921 |
| REVENUE $ PER ACRE | 0.02 | 0.03 | 0.03 | 1.34 | 1.30 | 1.27 | 1.28 | 1.38 | 1.28 | 1.31 |

NA = data not available. This county does not have any Nonsection 10 land programs.

* Under Colorado State law which placed a ceiling on mineral leasing RS to counties, Rio Blanco received only $200,000 per year 1964 and $300,000 per year thereafter.

**Total land available under program in 1966 was 25,785 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Rio Blanco

STATE Colorado

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 30,457 | $ 3,537 |
| 1958 | 237,199 | 27,548 |
| 1959 | 393,163 | 45,662 |
| 1960 | 54,736 | 6,340 |
| 1961 | 15,597 | 1,987 |
| 1962 | 283,252 | 35,568 |
| 1963 | 168,796 | 20,703 |
| 1964 | 14,010 | 1,751 |
| 1965 | 152,954 | 19,183 |
| 1966 | 8,950 | 1,118 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC.

## TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Rio Blanco

STATE: Colorado

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| BLM | Land for Road | $ 1,725 |
| | Sand, Gravel, etc. | 1,675 |
| | Site for Park | 1,278 |
| Forest Service | Land for Road | 7,810 |
| | Corrals | 150 |
| | Total | $ 12,638 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

County Rio Blanco

State Colorado

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 133,280 | $ 27,959 | $ 161,239 |
| 1958 | 136,158 | 40,317 | 176,475 |
| 1959 | 187,993 | 47,441 | 235,434 |
| 1960 | 211,944 | 45,371 | 257,315 |
| 1961 | 250,363 | 60,218 | 310,581 |
| 1962 | 211,777 | 66,074 | 277,851 |
| 1963 | 321,551 | 70,731 | 392,282 |
| 1964 | 299,030 | 109,145 | 408,175 |
| 1965 | 346,988 | 117,431 | 464,419 |
| 1966 | 344,931 | 145,346 | 490,277 |
| Average Year | 244,402 | 73,003 | 317,405 |
| Item % of Total, Average Year | 77 | 23 | 100 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices.

C16-16

Federal Agency US Forest Service

Program White River & Routt National Forests

County Rio Blanco

State Colorado

TABLE NO. C-7a

Page 1 of 2

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 3,844 | $ 4,803 | $ 13 | $ 18,119 | $ 11,350 | $ 152 | $ 2,773 | $ 215 | $ 25,970 | $ 67,239 |
| 1958 | 2,663 | 9,809 | 20 | 30,257 | 10,085 | 20 | 13,528 | 159 | 32,934 | 99,475 |
| 1959 | 8,885 | 9,051 | 1,238 | 38,599 | 12,754 | 51 | 12,894 | 632 | 20,330 | 104,434 |
| 1960 | 4,539 | 10,697 | 847 | 42,118 | 18,569 | 183 | 11,607 | 952 | 20,803 | 110,315 |
| 1961 | 7,463 | 16,307 | 1,486 | 41,783 | 24,333 | 1,049 | 20,719 | 1,631 | 28,810 | 143,581 |
| 1962 | 4,836 | 21,368 | 4,236 | 30,345 | 32,026 | 502 | 28,366 | 2,484 | 20,688 | 144,851 |
| 1963 | 9,339 | 21,215 | 5,753 | 63,341 | 30,430 | 1,306 | 40,392 | 2,751 | 41,755 | 216,282 |
| 1964 | 8,457 | 22,025 | 7,141 | 74,304 | 32,607 | 1,161 | 46,608 | 2,813 | 23,059 | 218,175 |
| 1965 | 22,423 | 21,934 | 3,469 | 116,750 | 37,783 | 669 | 39,983 | 3,156 | 35,252 | 281,419 |
| 1966 | 5,786 | 23,053 | 4,833 | 93,604 | 46,979 | 821 | 59,429 | 7,628 | 33,144 | 275,277 |

Source: Federal Agencies' Field Offices.

C16-17

Federal Agency Interior - BLM

Program All

County Rio Blanco

State Colorado

## TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 35,910 | $ 15,226 | $ 0 | $ 0 | $ 0 | $ 0 | $ NA | $ 42,864 | $ 94,000 |
| 1958 | 1,000 | 24,713 | 10,857 | 1,000 | 3,929 | 0 | 0 | NA | 35,501 | 77,000 |
| 1959 | 1,964 | 54,757 | 46,899 | 1,965 | 1,965 | 0 | 0 | NA | 23,450 | 131,000 |
| 1960 | 2,203 | 64,828 | 51,891 | 2,203 | 2,203 | 0 | 0 | NA | 23,672 | 147,000 |
| 1961 | 2,500 | 78,660 | 47,760 | 2,340 | 2,340 | 0 | 0 | NA | 33,400 | 167,000 |
| 1962 | 1,462 | 40,435 | 21,679 | 2,924 | 8,647 | 5,847 | 0 | NA | 52,006 | 133,000 |
| 1963 | 11,266 | 42,059 | 29,042 | 3,172 | 17,775 | 32,378 | 0 | NA | 40,308 | 176,000 |
| 1964 | 8,930 | 56,054 | 24,313 | 3,802 | 16,534 | 44,648 | 0 | NA | 35,719 | 190,000 |
| 1965 | 8,414 | 60,944 | 21,588 | 11,901 | 26,349 | 14,448 | 11,901 | NA | 27,455 | 183,000 |
| 1966 | 8,387 | 64,924 | 20,425 | 8,387 | 26,443 | 6,019 | 24,075 | NA | 56,340 | 215,000 |

Source: Federal Agencies' Field Offices.

### TABLE NO. C-8

### ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Rio Blanco

STATE Colorado

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| BLM | | | | | | |
| Mineral Leasing Lands | $ 2.49 | 1,217,762 | $ 3,032,227 | 35 | $ 106,128 | 9¢ |
| Forest Service | | | | | | |
| Routt National Forest | 1.99 | 110,508 | 219,909 | 35 | 7,697 | 7 |
| White River National Forest | 2.50 | 247,436 | 617,636 | 35 | 21,617 | 9 |
| Totals | $ 2.46 | 1,575,706 | $ 3,869,772 | 35 | $ 135,442 | 9¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency US Forest Service
Revenue Sharing Program White River & Routt National Forests (25%)[a/]
County Rio Blanco
State Colorado

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 × a/) |
|---|---|---|---|---|---|
| 1957 | $ 34,372 | $ 5,058 | $ 29,313 | $ 7,328 | $ 1,265 |
| 1958 | 46,883 | 5,729 | 41,154 | 10,288 | 1,432 |
| 1959 | 47,159 | 4,505 | 42,655 | 10,664 | 1,126 |
| 1960 | 46,627 | 8,256 | 38,371 | 9,734 | 2,064 |
| 1961 | 38,883 | 8,685 | 30,197 | 7,549 | 2,171 |
| 1962 | 34,175 | 8,657 | 25,518 | 6,380 | 2,164 |
| 1963 | 34,075 | 9,195 | 24,881 | 6,220 | 2,299 |
| 1964 | 38,926 | 13,861 | 25,065 | 6,266 | 3,465 |
| 1965 | 35,896 | 12,037 | 23,859 | 5,965 | 3,009 |
| 1966 | 41,911 | 11,799 | 30,112 | 7,528 | 2,950 |

Source Federal Agencies' Field Offices.

(16-20)

## CASE COUNTY DIGEST
## RIO GRANDE, COLORADO

### I. The County

a. General Description: Rio Grande is one of the smaller counties in Colorado, located in the southwestern part of the state, approximately 40 miles from the New Mexico border and 150 miles from the Utah border. The county seat is Del Norte and there are two municipalities, four school districts and eight special districts in the county. Two of the four school districts are joined with the neighboring counties. The two municipalities are self-sufficient in the provision of public services except for assessments, legal services, resource planning and development and health and hospital services. For all these governmental functions, the two municipalities, as well as the balance of the county, rely upon the services provided by county government. Likewise, neither the municipality nor the county government is engaged in the provision of sanitation facilities. This is the function of two of the special districts. The other special districts perform agricultural services, fire protection and general resource development. As in all other Colorado counties, the state has exclusive jurisdiction over the assessment for tax purposes of public utilities.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 11,160 | 1966 | 2 | 11,400 | 2.2 |
| Urban[1] | 1960 | 1 | 3,381 | 1966 | 2 | 3,400 | 0.6 |
| Rural | 1960 | 1 | 7,779 | 1966 | 2 | 8,000 | 2.8 |
| Employment | 1959 | 3 | 1,569 | 1966 | 3 | 1,558 | -0.7 |
| Effective Buying Income ($000) | 1960 | 2 | 14,476 | 1966 | 2 | 15,815 | 9.2 |
| Per Capita EBI ($) | 1960 | 2 | 1,316 | 1966 | 2 | 1,387 | 5.4 |
| Public School Enrollment (K-12) | 1960 | 1 | 2,935 | 1965 | 4 | 3,300 | 12.4 |

---

[1] Includes areas of 2,500 people or more.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967
3. U. S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U. S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

During the period 1960-1966 the county experienced a very modest growth rate with almost the entire increase in population occurring in the rural area, viz. places with populations of fewer than 2,500 persons. Although the employment base showed a small decline during the 1959-1966 period, total effective buying income increased modestly and a somewhat lesser increase occurred in the per capita EBI. The $1,400 per capita EBI is far below the national and Colorado averages.

Public school enrollment (K-12) showed a larger increase, over five times the population increase.

c. The Land: Rio Grande's land area of slightly less than 586,000 acres is mostly in timberlands. Almost 335,000 acres, over 57% of the total, are in Federal ownership and are subject to PILT and RS programs. These lands are composed of the following:

| | |
|---|---|
| Forest Service (FS) - Rio Grande National Forest | 266,617 acres |
| Bureau of Land Management (BLM) - Grazing Districts, TG 3 | 54,028 acres |
| - Mineral Leasing (acreage included in TG-3) | |
| Bureau of Sport Fisheries and Wildlife (BSF&W) - Monte Vista National Wildlife Refuge | 12,573 acres |
| Total | 333,218 |

II. County Finance

a. Revenue: Table No. C-1 contains detailed revenue data for the period 1957-1966. In this period total receipts increased more than $4.1 million, a rate of 112%. The increase in total property taxes accounts for $564,000 while the remainder is from "Other Taxes and Revenues." In 1966 property taxes accounted for just over 18% of the county's total receipts.

The county's bonded indebtedness shows a net increase of about $500,000 for the 1956-1966 period. The summary at the end of the case study digest contains details for the 1966 outstanding debt by type of bond.

Table No. C-1a shows that state taxes and local property taxes increased during the 10-year period at a rate of 102% per capita and as a percent of total EBI they increased 62%. The rate of increase in total state taxes levied in the county slightly exceeded that for local property taxes.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the 10-year study period. The rate of increase for total expenditures slightly exceeded that for total revenues. Expenditures per capita increased at a rate of 173% resulting in per capita expenditures in 1966 of $675, an extremely high level. The increase in expenditures for education and highways accounted for only a relatively small share in the total increase, approximately $770,000 out of a total of $4.3 million. "Other Expenditures" accounted for the major share of the total increase.

c. Property Taxes: Table No. C-3 contains detailed data for the assessed value of property subject to tax for the 10-year study period. It shows an increase in total assessed value of over $4 million, a rate of increase of 21% for the 10-year period.

More than $2 million of the increase in assessed values stemmed from commercial and industrial properties while residential properties increased about $1 million. Assessment of personal properties increased $1.2 million while the assessed value of rural, mineral, timber, other natural resources and other properties declined.

In 1965, subsequent to reassessment of all properties in accordance with state law and removal of the state property tax, the tax rate was slightly reduced; the 1966 weighted average county tax rate was 62.7 mills.

A large number of grazing and homesite leases have been granted on Federal lands within the county. The county has elected to assess and tax only those possessory interests relating to residential properties on Federal lands. The summary at the end of the case study digest contains figures relating to the assessed value and tax revenues obtained from these properties. It shows totals of $31,670 and $1,900 respectively.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: Table No. C-4 contains acreage and payment data for all PILT or RS programs within the county for the 10-year study period to the extent that these data are available. Payments from the national forest declined from 1959 to 1966 when an increase of about $500 over the preceding year occurred. Payments to the county from all programs have been very small. However, because of the change in law effective with fiscal year 1966, payments to the county from the wildlife refuge increased substantially. The 1966 payment combines the RS from sales on leases on the applicable land and a PILT equal to 3/4 of 1% of the total adjusted value of the private lands acquired by the BSF&W.

value of the private lands acquired by the BSF&W. It is estimated that the PILT portion of the 1966 payment to the county from the wildlife refuge amounted to approximately $11,000. Nevertheless, total payment from all PILT and RS programs in 1966 amounted to $16,500, an insignificant share of total county revenue of less than one-half of 1%.

b. Indirect Benefits: Allocations from the BPR Sliding Scale Highway Aid Program were made to the county in four of the years during the 10-year period. Except for 1957 and 1959, the allocations to the county were of small magnitude and insignificant as a share of the county's total expenditures for highways. Table No. C-5 contains the pertinent figures.

c. Value of Free Goods and Services: The county obtained free of charge from the FS and BLM, certain tracts of land for rights-of-way and road construction and certain construction materials. Table No. C-6 contains pertinent details. The estimated annual value of these free goods and tracts of land is about $5,500.

d. Federal Facilities and Services Having Joint Use: All these Federal agencies reported no county participation in the use of any Federal facilities maintained by these three land management agencies.

e. Resource Expenditures - Management: The FS, BSF&W and BLM made resource program expenditures in each of the years during the 10-year period. These expenditures rose steadily and reached a peak of almost $424,000 in 1966. Table No. C-7 contains a summary of the expenditures for all three agencies. It shows an annual average expenditure of just under $247,000. Approximately 39% of these resource program expenditures was allocable to capital expenditures.

Tables No. C-7a1, 2 and 3 contain the expenditure details for each agency by expenditure category.

The management activities for each of the three agencies comprise their typical range of activities. None of the agencies reported having been influenced in their management programs by the PILT and RS provisions applying to the lands managed by them.

## IV. Burdens to Local Government

a. Direct Burdens: The county incurred two types of direct financial burdens which are attributable to the presence of public lands. These are:

| | |
|---|---|
| Road and Bridge Maintenance | $40,000 |
| Law Enforcement | 1,000 |
| Total | $41,000 |

The relatively large expenditure relating to road and bridge maintenance is attributable to the damage to county roads leading to and from lumbering lands.

b. Indirect Burden: Included in the Federal lands in the county are tracts having relatively high surface values. These are lands of residential, commercial and intense agricultural quality. Table No. C-8 contains an estimate of the assessable value and the potential tax revenue which might accrue to the county if these lands were in private ownership. It shows a total tax potential of over $51,000, an average of 15¢/acre.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: The FS made K-V Fund collections in each year during the 10-year study period. While in 1957 the K-V Fund collection was only 2% of gross receipts, in 1964 it amounted to 41% of gross receipts, and in 1965 and 1966, 44% and 42% respectively. Correspondingly, the revenue share "lost" during these last three study years amounted to 69%, 77% and 71% of the net payment to the county, respectively.

Additionally, the RS payments to the county were reduced as a result of the FS's practice of reducing the value of the timber purchase contracts by the estimated cost of construction and reconstruction of harvest roads. If this reduction had not been made in 1966 -- it amounted to $1,868 -- the RS payment to the county would have been increased by $467.

d. Public Laws 815 and 874: The county has not qualified for payments under either of these two laws.

## V. Impact of Present System

a. County Finance: The impact of the present PILT and RS system is disadvantageous to the county. Total benefits from PILT, RS and related payments and free services have amounted to a lesser figure than the estimated direct financial burden caused by the presence of public lands. The following 1966 figures serve as a summary:

| | |
|---|---|
| PILT and RS (C-4) | $16,551 |
| Sliding Scale Payments (C-5) | 1,817 |
| Free Goods & Services (C-6) | 5,500 |
| Total Direct Benefits | $23,868 |

From these must be deducted the direct burdens attributable to the presence of public lands:

| | |
|---|---|
| Direct Burdens (IV.a.) | $41,000 |
| Resulting Total Net Loss | $17,132 = 5¢/acre |

Table No. C-8 shows that if these lands were in private ownership they would yield an estimated potential tax revenue of $51,360 or 15¢/acre.

b. The Overview: Despite the net loss to the county from the presence of public lands, viz. the excess of county expenditures over direct benefits, county officials are aware of the indirect benefit accruing to the county from the presence of Federal lands. These accrue primarily from the use of public lands for recreational purposes. Also, much of the timber harvested from Federal lands is processed at mills located within the county and thereby provides substantial payrolls and related indirect county revenues.

Conversely, county officials are acutely aware of the adverse condition prevailing in respect to the loss of tax revenues and the direct financial burden attributable to the presence of public lands. In their view, adjustments to the prevailing PILT and RS programs are needed to compensate the county for the financial burdens incurred and the loss of tax revenues resulting from the immunity of the Federal lands to taxation by the county. It was pointed out that the first such adjustment was felt in 1966 relating to the lands under the control of the BSF&W and that similar adjustments are needed for the lands under FS and BLM control.

# RIO GRANDE, COLORADO

## SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| Forest Service | Grazing | $ 0 | $ 0 |
| | Residential | 31,670 | 1,900 |
| BLM | Grazing | 0 | 0 |
| BSF&W | Grazing | 0 | 0 |
| | Total | $ 31,670 | $ 1,900 |

Source: Federal Agencies' Field Offices and County Tax Assessor.

## BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $2,028,000 | $1,218,094 |
| Hospital | 62,000 | 54,000 |
| Water & Sewage | 487,000 | 306,000 |
| Refunding | 400,000 | 59,000 |
| Total | $2,977,000 | $1,637,094 |

Source: Rio Grande County Audit Reports.

C17-8

TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Rio Grande

STATE Colorado

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 748,381 | $ 119,810 | $ 868,191 | $ 2,798,458 | $ 3,666,649 |
| 1958 | 743,663 | 137,455 | 881,118 | 3,471,530 | 4,352,648 |
| 1959 | 767,365 | 154,949 | 922,314 | 3,139,145 | 4,061,459 |
| 1960 | 831,502 | 175,159 | 1,006,661 | 3,227,596 | 4,234,257 |
| 1961 | 889,113 | 185,994 | 1,075,107 | 3,359,371 | 4,434,478 |
| 1962 | 930,053 | 191,845 | 1,121,898 | 3,521,377 | 4,643,275 |
| 1963 | 1,028,350 | 203,207 | 1,231,557 | 4,004,051 | 5,235,608 |
| 1964 | 1,101,952 | 206,779 | 1,308,731 | 4,657,377 | 5,966,108 |
| 1965 | 1,151,144 | 227,471 | 1,378,615 | 6,116,275 | 7,494,890 |
| 1966 | 1,193,424 | 239,258 | 1,432,682 | 6,360,155 | 7,792,837 |
| % incr./decr. '66 vs. 1st yr. | 59.5 | 99.7 | 65.0 | 127.3 | 112.5 |

Source: Rio Grande County Audit Reports.

## TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Rio Grande

STATE Colorado

| YEAR | State Taxes ($000) Sales & Gross Receipts (1) | Individual Income (2) | Other[1] (3) | Total[1] (4) | Total State Taxes % of EBI (5) | Per Capita($) (6) | Local Property Taxes % of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes % of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 457 | 128 | 337 | 922 | 6.00 | 66.81 | 5.65 | 62.91 | 11.65 | 129.72 |
| 1958 | 431 | 133 | 331 | 895 | 5.53 | 66.79 | 5.45 | 65.75 | 10.98 | 132.54 |
| 1959 | 541 | 178 | 316 | 1,035 | 6.20 | 80.86 | 5.53 | 72.06 | 11.73 | 152.92 |
| 1960 | 555 | 143 | 287 | 985 | 6.80 | 89.55 | 6.95 | 91.51 | 13.75 | 181.06 |
| 1961 | 571 | 199 | 265 | 1,035 | 7.16 | 94.95 | 7.44 | 98.63 | 14.60 | 193.58 |
| 1962 | 599 | 212 | 261 | 1,072 | 7.38 | 97.45 | 7.73 | 101.99 | 15.11 | 199.44 |
| 1963 | 656 | 171 | 277 | 1,104 | 7.41 | 96.84 | 8.27 | 108.03 | 15.68 | 204.87 |
| 1964 | 741 | 188 | 274 | 1,203 | 7.51 | 104.61 | 8.17 | 113.80 | 15.68 | 218.41 |
| 1965 | 790 | 212 | 270 | 1,272 | 7.64 | 111.58 | 8.28 | 120.93 | 15.92 | 232.51 |
| 1966 | 1,073 | 222 | 260 | 1,555 | 9.83 | 136.40 | 9.06 | 125.67 | 18.89 | 262.07 |

[1] Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7).
Col. (10) = Col. (6) + Col. (8).

C17-9

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Rio Grande

STATE Colorado

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 1,288,755 | $ 213,750 | $ 1,901,009 | $ 3,403,514 | $ 247 |
| 1958 | 1,485,319 | 335,020 | 2,491,540 | 4,311,879 | 322 |
| 1959 | 1,543,929 | 347,372 | 2,258,054 | 4,149,355 | 324 |
| 1960 | 1,655,994 | 313,922 | 2,305,370 | 4,275,286 | 387 |
| 1961 | 1,679,708 | 311,634 | 2,351,689 | 4,343,031 | 398 |
| 1962 | 1,799,739 | 336,072 | 2,421,516 | 4,557,327 | 414 |
| 1963 | 2,150,400 | 363,915 | 2,626,151 | 5,140,466 | 451 |
| 1964 | 1,445,838 | 425,747 | 4,116,573 | 5,988,158 | 521 |
| 1965 | 1,605,108 | 373,424 | 5,304,107 | 7,282,639 | 639 |
| 1966 | 1,866,522 | 404,369 | 5,425,130 | 7,696,021 | 675 |
| % incr./decr.'66 vs. first year | 44.8 | 89.2 | 185.4 | 126.1 | 173.3 |
| % incr./decr.'66 vs. first year per capita | 76.3 | 133.3 | 244.9 | 173.3 | |

Source: Rio Grande Audit Reports.
Col. (5); Col. (4) divided by population estimates, Sales Management.

County Rio Grande

State Colorado

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1)<br>Residential | (2)<br>Commercial, Industrial | (3)<br>Public Utility | (4)<br>Rural | (5)<br>Mineral, Timber Other Nat. Res. | (6)<br>Personal | (7)<br>Other | (8)<br>Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 3,199,078 | $1,749,490 | $2,683,720 | $8,388,292 | $ 65,712 | $2,593,715 | $ 114,626 | $18,794,633 |
| Aver. Tax Rate 49.9 mills | | | | | | | | |
| Item % of Total | 17.0 | 9.3 | 14.4 | 44.6 | 0.3 | 13.8 | 0.6 | 100.0 |
| 1958 Assessed Value | 3,199,854 | 1,850,484 | 2,615,070 | 8,232,682 | 43,222 | 2,971,505 | 124,814 | 19,037,631 |
| Aver. Tax Rate 49.9 mills | | | | | | | | |
| 1959 Assessed Value | 3,198,176 | 1,944,262 | 2,606,210 | 8,193,635 | 44,931 | 3,252,003 | 147,493 | 19,386,710 |
| Aver. Tax Rate 50.0 mills | | | | | | | | |
| 1960 Assessed Value | 3,310,439 | 2,064,272 | 2,674,390 | 8,267,448 | 46,951 | 3,486,164 | 153,832 | 20,003,496 |
| Aver. Tax Rate 52.5 mills | | | | | | | | |
| 1961 Assessed Value | 3,389,855 | 2,073,734 | 2,585,900 | 8,322,813 | 45,911 | 3,474,470 | 155,181 | 20,047,864 |
| Aver. Tax Rate 55.1 mills | | | | | | | | |
| 1962 Assessed Value | 3,448,003 | 1,752,042 | 2,840,280 | 8,464,885 | 39,977 | 3,453,785 | 166,140 | 20,165,112 |
| Aver. Tax Rate 57.0 mills | | | | | | | | |
| 1963 Assessed Value | 3,626,599 | 2,043,600 | 2,960,310 | 8,225,390 | 42,045 | 3,365,240 | 180,875 | 20,444,059 |
| Aver. Tax Rate 61.6 mills | | | | | | | | |
| 1964 Assessed Value | 3,684,335 | 2,614,570 | 3,037,560 | 8,306,715 | 43,495 | 3,344,425 | 191,905 | 21,223,005 |
| Aver. Tax Rate 63.0 mills | | | | | | | | |
| 1965 Assessed Value | 3,760,590 | 2,918,005 | 3,235,872 | 8,346,100 | 41,375 | 3,663,260 | 206,585 | 22,172,287 |
| Aver. Tax Rate 62.2 mills | | | | | | | | |
| 1966 Assessed Value[1] | 4,192,420 | 3,796,300 | 3,220,300 | 7,765,100 | 46,645 | 3,797,745 | 22,680 | 22,841,190 |
| Aver. Tax Rate 62.7 mills | | | | | | | | |
| Item % of Total | 18.4 | 16.6 | 14.1 | 34.0 | 0.2 | 16.6 | 0.1 | 100.0 |
| Increase/Decrease '66 vs. '57 | 31.0 | 117.0 | 20.0 | (7.4) | (29.0) | 46.4 | (80.3) | 21.5 |

[1] Assessed value represents 30 percent of actual market value in 1966.

Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

C17-11

PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-4
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ---- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO | | | | | | | | | | |
| COUNTY = RIO GRANDE | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 4765 | 6010 | 7464 | 6201 | 6163 | 3036 | 2690 | 2443 | 2291 | 2749 |
| PERCENT BASE YEAR | 100.0 | 126.1 | 156.6 | 130.1 | 129.3 | 63.7 | 56.5 | 51.3 | 48.1 | 57.7 |
| PROGRAM ACREAGE | 266727 | 266727 | 266727 | 266727 | 266727 | 266727 | 266727 | 266737 | 266737 | 266617 |
| REVENUE $ PER ACRE | 0.02 | 0.02 | 0.03 | 0.02 | 0.02 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 |
| MIGRATORY BIRD ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 1515 | 2895 | 1457 | 2000 | 1792 | 2394 | 2571 | 2985 | 2866 | 13267 |
| PERCENT BASE YEAR | 100.0 | 191.1 | 96.2 | 132.0 | 118.3 | 158.0 | 169.7 | 197.0 | 189.2 | 875.7 |
| PROGRAM ACREAGE | 7703 | 10304 | 9832 | 10949 | 11769 | 11770 | 12252 | 12412 | 12412 | 12573 |
| REVENUE $ PER ACRE | 0.20 | 0.28 | 0.15 | 0.18 | 0.15 | 0.20 | 0.21 | 0.24 | 0.23 | 1.06 |
| MINERAL LEASING ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 0 | 0 | 18 | 866 | 6 | 24 | 32 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 4811.1 | 0.0 | 133.3 | 177.8 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 0 | 4 | 57 | 0 | 86 | 452 | 403 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 1425.0 | 0.0 | 2150.0 | 11300.0 | 10075.0 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 113 | 86 | 89 | 96 | 88 | 85 | 98 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 76.1 | 78.8 | 85.0 | 77.9 | 75.2 | 86.7 |
| PROGRAM ACREAGE | NA | NA | NA | 64843 | 64843 | 64843 | 54028 | 54028 | 54028 | 54028 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 6280 | 8905 | 8921 | 8314 | 8045 | 5594 | 6223 | 5596 | 5718 | 16549 |
| PERCENT BASE YEAR | 100.0 | 141.8 | 142.1 | 132.4 | 128.1 | 89.1 | 99.1 | 89.1 | 91.1 | 263.5 |
| PROGRAM ACREAGE | 274430 | 277031 | 276559 | 342519 | 343339 | 343340 | 333007 | 333177 | 333177 | 333218 |
| REVENUE $ PER ACRE | 0.02 | 0.03 | 0.03 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.05 |

NA = data not available. This county does not have any Nonsection 10 land programs.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Rio Grande

STATE Colorado

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 168,712 | $ 19,594 |
| 1958 | 0 | 0 |
| 1959 | 67,428 | 7,831 |
| 1960 | 7,472 | 874 |
| 1961 | 0 | 0 |
| 1962 | 0 | 0 |
| 1963 | 0 | 0 |
| 1964 | 0 | 0 |
| 1965 | 0 | 0 |
| 1966 | 14,540 | 1,817 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC.

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Rio Grande

STATE: Colorado

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Construction Material | $ 5,000 |
| | Rights-of-way | 250 |
| BLM | Land for road construction | 250 |
| BSF&W | None | 0 |
| | Total | $ 5,500 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

017-14

County Rio Grande

State Colorado

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 69,955 | $ 36,425 | $ 106,380 |
| 1958 | 96,364 | 57,202 | 153,566 |
| 1959 | 113,287 | 36,204 | 149,491 |
| 1960 | 107,750 | 83,195 | 190,945 |
| 1961 | 130,887 | 32,852 | 163,739 |
| 1962 | 159,652 | 57,346 | 216,998 |
| 1963 | 204,352 | 230,528 | 434,882 |
| 1964 | 173,038 | 167,588 | 340,626 |
| 1965 | 204,505 | 84,560 | 289,065 |
| 1966 | 244,306 | 179,577 | 423,883 |
| Average Year | 150,410 | 96,548 | 246,958 |
| Item % of Total, Average Year | 60.9 | 39.1 | 100.0 |

**Note:** Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices.

Federal Agency US Forest Service

Program Rio Grande National Forest

County Rio Grande

State Colorado

TABLE NO. C-7a

Page 1 of 3

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 1,408 | $ 3,324 | $ 15 | $ 15,733 | $ 8,224 | $ 234 | $ 2,068 | $ 113 | $ 12,739 | $ 43,848 |
| 1958 | 661 | 6,623 | 42 | 22,991 | 7,298 | 7 | 8,452 | 139 | 16,219 | 62,432 |
| 1959 | 1,751 | 5,614 | 1,411 | 34,622 | 9,204 | 2,915 | 7,852 | 185 | 16,890 | 80,444 |
| 1960 | 906 | 5,607 | 1,251 | 32,680 | 8,484 | 4,030 | 6,731 | 276 | 14,994 | 74,959 |
| 1961 | 11,199 | 14,550 | 3,552 | 26,287 | 17,014 | 1,831 | 12,378 | 879 | 12,901 | 100,591 |
| 1962 | 2,610 | 16,535 | 6,027 | 52,082 | 14,575 | 15,691 | 18,158 | 1,265 | 11,247 | 138,190 |
| 1963 | 2,073 | 21,748 | 6,730 | 73,825 | 24,348 | 2,331 | 37,129 | 3,671 | 14,696 | 186,551 |
| 1964 | 2,567 | 13,166 | 3,668 | 78,292 | 20,071 | 2,710 | 21,615 | 5,705 | 17,397 | 165,191 |
| 1965 | 4,881 | 12,697 | 2,656 | 80,725 | 27,180 | 2,095 | 19,065 | 3,047 | 14,494 | 166,840 |
| 1966 | 3,309 | 13,962 | 2,472 | 87,518 | 37,163 | 1,092 | 19,687 | 1,241 | 21,640 | 188,083 |

Source: Federal Agencies' Field Offices.

Federal Agency Interior - BLM

Program All

County Rio Grande

State Colorado

TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ 1,332 | $ 0 | $ NA | $ 0 | $ 0 | $ NA | $ NA | $ 2,668 | $ 4,000 |
| 1958 | NA | 999 | 0 | NA | 0 | 0 | NA | NA | 2,001 | 3,000 |
| 1959 | NA | 1,998 | 1,998 | NA | 0 | 0 | NA | NA | 2,004 | 6,000 |
| 1960 | NA | 3,000 | 3,000 | NA | 0 | 0 | NA | NA | 0 | 6,000 |
| 1961 | NA | 2,331 | 2,331 | NA | 0 | 0 | NA | NA | 2,338 | 7,000 |
| 1962 | NA | 1,500 | 0 | NA | 0 | 0 | NA | NA | 4,500 | 6,000 |
| 1963 | NA | 1,336 | 1,336 | NA | 1,336 | 2,664 | NA | NA | 1,328 | 8,000 |
| 1964 | NA | 2,664 | 1,336 | NA | 1,336 | 2,664 | NA | NA | 0 | 8,000 |
| 1965 | NA | 2,664 | 1,336 | NA | 2,664 | 0 | NA | NA | 1,336 | 8,000 |
| 1966 | NA | 2,250 | 1,125 | NA | 2,250 | 0 | NA | NA | 3,375 | 9,000 |

Source: Federal Agencies' Field Offices.

C17-17

Federal Agency Bureau of Sport Fisheries & Wildlife

Program Monte Vista National Wildlife Refuge

County Rio Grande

State Colorado

TABLE NO. C-7a

**FEDERAL RESOURCE PROGRAM EXPENDITURE**

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 400 | $ 0 | $ 0 | $ 800 | $ NA | $ NA | $ 0 | $ 57,323 | $ NA | $ 58,523 |
| 1958 | 400 | 0 | 0 | 900 | NA | NA | 0 | 86,833 | NA | 88,133 |
| 1959 | 500 | 0 | 0 | 1,000 | NA | NA | 0 | 61,547 | NA | 63,047 |
| 1960 | 600 | 100 | 2,000 | 1,000 | NA | NA | 0 | 106,286 | NA | 109,986 |
| 1961 | 600 | 200 | 4,0[illegible] | 1,200 | NA | NA | 0 | 50,149 | NA | 56,149 |
| 1962 | 650 | 3,000 | 5,000 | 1,400 | NA | NA | 0 | 62,759 | NA | 72,809 |
| 1963 | 700 | 4,500 | 6,000 | 1,500 | NA | NA | 1,700 | 225,933 | NA | 240,333 |
| 1964 | 1,700 | 9,600 | 900 | 1,500 | NA | NA | 2,900 | 150,835 | NA | 167,435 |
| 1965 | 800 | 300 | 1,700 | 3,500 | NA | NA | 1,500 | 106,425 | NA | 114,225 |
| 1966 | 800 | 6,200 | 3,300 | 4,500 | NA | NA | 1,800 | 210,200 | NA | 226,800 |

Source: Federal Agencies' Field Offices.

## TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Rio Grande

STATE Colorado

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 x 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 x 5) (6) | Estimated Tax Per Acre (Col. 2 x 5) (7) |
|---|---|---|---|---|---|---|
| **Forest Service** | | | | | | |
| Residential | $ 25.00 | 12 | $ 300 | 57 | $ 17 | 150¢ |
| Commercial | 43.00 | 32 | 1,376 | 57 | 78 | 245 |
| Grazing | 4.25 | 72,809 | 309,438 | 57 | 17,638 | 24 |
| Timber, Waste | 1.25 | 193,764 | 242,205 | 57 | 13,806 | 7 |
| **BSF&W** | | | | | | |
| Agricultural (good) | 47.75 | 222 | 10,600 | 57 | 604 | 272 |
| Agricultural (fair) | 23.25 | 3,686 | 85,700 | 57 | 4,885 | 132 |
| Grazing (good) | 4.50 | 2,665 | 11,992 | 57 | 684 | 26 |
| Grazing (fair) | 1.25 | 6,000 | 7,500 | 57 | 428 | 7 |
| **BLM** | | | | | | |
| Grazing | 4.50 | 50,586 | 227,637 | 57 | 12,975 | 26 |
| Waste | 1.25 | 3,442 | 4,303 | 57 | 245 | 7 |
| Totals | $ 2.70 | 333,218 | $ 901,051 | 57 | $ 51,360 | 15¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

C17-14

Federal Agency US Forest Service

Revenue Sharing Program Rio Grande National Forest (25% )a/

County Rio Grande

State Colorado

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 × a/) |
|---|---|---|---|---|---|
| 1957 | $ 19,529 | $ 464 | $ 19,065 | $ 4,766 | $ 116 |
| 1958 | 24,681 | 636 | 24,045 | 6,011 | 159 |
| 1959 | 33,250 | 3,393 | 29,857 | 7,464 | 848 |
| 1960 | 29,364 | 4,559 | 24,805 | 6,201 | 1,140 |
| 1961 | 26,993 | 2,340 | 24,653 | 6,163 | 585 |
| 1962 | 13,961 | 1,812 | 12,149 | 3,037 | 453 |
| 1963 | 13,824 | 3,060 | 10,764 | 2,691 | 765 |
| 1964 | 16,514 | 6,740 | 9,774 | 2,443 | 1,685 |
| 1965 | 16,251 | 7,086 | 9,165 | 2,291 | 1,772 |
| 1966 | 18,846 | 7,844 | 11,002 | 2,750 | 1,961 |

Source: **Federal Agencies' Field Offices.**

# CASE COUNTY DIGEST
# SUMMIT, COLORADO

## I. The County

a. General Description: Summit is one of the smallest counties in the state, located in the northwest central part; its county seat is Breckenridge, less than 100 miles from Denver. The county has four municipalities, one school district and two special districts. Only two of the municipalities, Breckinridge and Frisco, provide a full range of public services, excluding the assessment and collection of taxes. The other two municipalities, due to their very small populations, rely almost entirely on the county for most public services, excluding only law enforcement, fire protection, sanitation facilities, utility operation, local planning activities, and cemetery operations which are done in conjunction with the county. The county provides a full range of governmental services such as overall tax assessment and collection, street and highway maintenance and construction, refuse collection and health and welfare services. There are no hospital services in the county. The special districts are water conservancy districts and their activities are limited to utility operations and resource development.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 2,073 | 1966 | 2 | 1,700 | -18.0 |
| Urban[1] | 1960 | 1 | 0 | 1966 | 2 | 0 | 0 |
| Rural | 1960 | 1 | 2,073 | 1966 | 2 | 1,700 | -18.0 |
| Employment | 1959 | 3 | 128 | 1966 | 3 | 375 | 193.0 |
| Effective Buying Income ($000) | 1960 | 2 | 3,646 | 1966 | 2 | 3,576 | -1.9 |
| Per Capita EBI ($) | 1960 | 2 | 1,736 | 1966 | 2 | 2,104 | 21.2 |
| Public School Enrollment (K-12) | 1960 | 1 | 436 | 1965 | 4 | 500 | 14.7 |

---

[1] Includes areas of 2,500 people or more.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U. S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U. S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

The county's population increased during 1957 to 1963 from approximately 1,200 to 2,300 persons. From 1964 to 1966 the population steadily declined by over 500 persons. The net population difference for the period 1960 to 1966 is just under 400 people, reflecting a rate of decline of 18%. Since there are no municipalities with a population large enough to be identified as urban, the entire population decline occurred in the rural area. Though employment in the county increased significantly, the increase is due mainly to the increase in types of employment covered by the census. Total effective buying income declined, yet the per capita EBI increased. Public school enrollment (K-12) increased despite the decline in total population.

c. The Land: Although the county has a relatively small land area, just over 391,000 acres, more than 317,000 acres are in Federal ownership and are subject to RS programs. The Federal land is comprised of:

| | |
|---|---|
| Forest Service (FS) - Arapaho National Forest | 299,331 acres |
| Bureau of Land Management (BLM) - | |
| Grazing Districts TG-3 | 11,437 acres[1/] |
| Outside Grazing Districts TG-15 | 6,515 acres |
| Total | 317,283 acres |

II. County Finance

a. Revenues: Table No. C-1 contains detailed revenue data for the years 1957-1966. Total revenues during this period increased by over $400,000 or 91%. About $273,000 of the increased revenues were from property taxes which in 1966 accounted for 61% of total county receipts.

Included in Col. 4 of Table No. C-1, other taxes and revenues, are the proceeds from bond issues which have increased during the study period by $530,000. A summary of the county's outstanding debt as of 1966 is enclosed at the end of the case study digest.

Table No. C-1a reflects a large increase in per capita state and local taxation in the county. While local property taxes increased slightly more than 50% per capita, state taxes more than doubled. Combined state taxes and local property taxes increased the per capita tax burden over the 10-year period by 65% and, as a percent of EBI, 17% to the extremely high levels of $453 and 21% respectively.

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1/ BLM statistics, 1966 State Series, Colorado, lists 9,715 acres. The above figure was reported in payment vouchers issued by BLM.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the period 1957-1966. The 1966 figures are unusually high due to the construction of a school building, for which a bond was issued in the preceding year, reflected in 1965 revenues. Excluding the school construction expenditures in 1966, total expenditures amounted to $789,000 and reflect an increase over 1957 of $354,000 or 81%. On a per capita basis, the adjusted expenditures amounted to a high of $464 in 1966 and reflect a per capita increase of 69% as compared with the "distorted" figure of 101%.

c. Property Taxes: Table No. C-3 contains detailed data for the assessed value of property subject to taxes for the period 1957-1966. Total assessed value increased sharply. Partially due to the reassessment of properties required by state law, total assessed value rose by over 90% while, as a result of reassessment, the average county tax rate was slightly reduced in 1966. The sharpest rise in assessed values occurred in the residential properties which, in 1957, accounted for only 7% of total assessed value while in 1966 their share of the total increased to 29%. The assessed value of rural properties and personal properties declined.

Included in assessed values shown in Table No. C-3 are those applicable to certain leaseholds on FS lands. A summary of these assessed values and the property tax generated from them is contained at the end of the case study digest. It shows a total estimated assessed value of about $430,000, yielding $20,500 in tax revenues.

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: Table No. C-4 contains acreage and RS payment figures for the period 1957-1966 to the extent that these are available. RS payments from the Forest Fund have declined sharply since 1960, and in 1966 they were only one-half of the 1960 level. Conversely, about $4,000 more than in the previous year were obtained from the sale of public lands and materials. Overall, the RS payments to Summit County have been of small magnitude and represented slightly over 1% of total county receipts for 1966. As such, their impact upon total county finance is relatively insignificant.

b. Indirect Benefits: Allocations from the BPR Sliding Scale Highway Aid Program to Summit County were of far greater magnitude and consequence than the direct RS payments. Table No. C-5 contains the figures for these allocations during the 10-year study period. In line with budget and program fluctuations, the sliding scale highway aid payments have varied widely from year to year.

c. Value of Free Goods and Services: The county has benefited from the extensive free use of Federal lands for a variety of purposes including a water transmission ditch, an elementary school site and rights-of-way. Table No. C-6 contains an estimate of the annual value of the free use of these lands which is shown to be just under $19,000 per year.

Certain cities located outside the county and the state have also obtained the free use of considerable acreages of Federal lands located within Summit County. The value of these free uses of Federal land was excluded in the above estimates.

d. Federal Facilities and Services Having Joint Use: The county has also obtained the free use of certain facilities constructed and maintained by the FS and the free use of certain services also provided by the FS. Based on the construction and operating costs and the rate of usage by the county, it was estimated that the annual value of these free uses and services are as follows:

| | |
|---|---|
| FS - Roads | $2,352 |
| - Fire Patrol Flights | 75 |
| - Insect Detection Flights | 140 |
| - Picnic Area | 19 |
| Total | $2,586 |

e. Resource Expenditures - Management: The FS made considerable resource program expenditures during the 10-year study period while BLM made more modest resource expenditures. Table No. C-7 contains a summary of both agencies' resource program expenditures during the 10-year period. They averaged almost $213,000 per year and approximately 35% were applicable to capital expenditures.

Tables No. C-7a1 and 2 contain the detailed expenditure figures by expenditure category for each of the two agencies.

BLM's land management activities in Summit County are limited to those relating to grazing, hunting, and mineral leasing, though no active mineral leases appear to be outstanding in the county. The FS provides a broad range of management services which include multiple use aspects and timber stand improvement. Neither agency reported being influenced in their land management practices by the prevailing RS provisions.

## IV. Burdens to Local Government

a. Direct Burdens: Several types of financial burdens are imposed upon county finance by the presence of the public land. Based on the records of the county it has been estimated that the annual burdens are as follows:

| | |
|---|---|
| Maintenance of Roads | $35,000 |
| Law Enforcement | 10,000 |
| Refuse Dump Serving the FS | 1,000 |
| Total Direct Burdens | $46,000 |

County officials also identified a financial burden resulting from the cooperative fire protection agreement; however, it was determined that the incremental expenditures are compensated by expenditures of the FS for protection of privately owned forest lands.

b. Indirect Burden: Most of the Federal lands in Summit County have a relatively low surface value. The exception is some 4,500 acres which are homesite and commercial quality. Table No. C-8 contains an estimate of the assessable value and the potential tax revenue which might result from these lands if they were in private ownership. Though the total potential tax is a relatively small amount, $42,400 per year, it is substantially larger than the county revenue from the RS programs. Taxation of these lands would result in an average tax of about 13¢/acre.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: The FS collection for the K-V Fund rose sharply during the 10-year period. Table No. C-9 contains the appropriate figures. While in 1957 the K-V Fund collection equaled 7% of gross receipts, in 1964 it was 52% of gross; in 1965 it was 24% and in 1966, 36% of gross revenues. The resulting revenue share "lost" was equal to 109% of the payment to the county in 1964; in 1965 it was 31% and in 1966, 56% of net payment to the county.

d. Public Laws 815 and 874: The county has not qualified for any payments under these two laws.

## V. Impact of Present System

a. County Finance: The county has not obtained any net benefit from the present RS system as compared with the potential tax revenue if the lands were in private ownership. In 1966 the RS payment to the county was just under 18% of total benefits. These figures are summarized as follows:

| | |
|---|---|
| Revenue Sharing (C-4) | $ 9,955 |
| Sliding Scale Payments (C-5) | 24,853 |
| Free Goods and Services (C-6) | 18,950 |
| Joint Use Facilities (III.d.) | 2,586 |
| Total Direct Benefits | $56,344 |

From these must be deducted the direct burdens resulting from the existence of public lands:

| | |
|---|---|
| Direct Burdens (IV.a.) | $46,000 |
| Resulting Net Direct Benefits | $10,344 = 3¢/acre |

If the sliding scale payments which are applicable only to specific road construction programs were deducted from the above benefits, the county would actually incur a net burden of about $15,000. Moreover, the 3¢/acre net benefit compares unfavorably with the 13¢/acre potentially available from property tax if the land were privately owned.

b. The Overview: County officials are critical of Federal land management practices and their impact upon county finances. They feel that timber sales, which have drastically declined in recent years, could be sustained at a greater annual rate and thereby provide more of an offset to the county's expenditures incurred for the forest area. Likewise, they feel that grazing operations could be more efficient and that a greater return to the county could be obtained. In addition, these officials strongly recommend the sale of isolated Federal land tracts which are a hindrance to the development of private lands and the county's economy. Specifically, lands abutting the Dillion Reservoir have been requested for use as cabin and second homesites which might expand the county's recreational industry. The county officials would also like to see Federal assistance in maintaining the county's police force which, due to the required law enforcement upon Federal lands, is overtaxing the force's capabilities and, in turn, imposing upon the safety of county residents.

## SUMMIT, COLORADO

### SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation 1/ | Total Tax Revenue |
|---|---|---|---|
| Forest Service | Recreational | $427,657 | $20,442 |
| | Residential | 1,903 | 91 |
| | Grazing | 0 | 0 |
| | Rights-of-way | 0 | 0 |
| BLM | Grazing | 0 | 0 |
| | Total | $429,560 | $20,533 |

1/ Est. Based on weighted millage tax rate.

Source: Federal Agencies' Field Offices and County Tax Assessor.

### BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $500,000 | $476,000 |
| Water | 164,000 | 116,500 |
| Total | $664,000 | $592,500 |

Source: Summit County Audit Reports.

TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Summit

STATE Colorado

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 198,479 | $ 39,505 | $ 237,984 | $ 203,791 | $ 441,775 |
| 1958 | 206,395 | 61,651 | 268,046 | 269,736 | 537,782 |
| 1959 | 177,653 | 50,400 | 228,053 | 477,417 | 705,470 |
| 1960 | 171,334 | 74,835 | 246,169 | 389,851 | 636,020 |
| 1961 | 215,127 | 102,638 | 317,765 | 476,851 | 794,616 |
| 1962 | 286,058 | 75,126 | 361,184 | 309,034 | 670,218 |
| 1963 | 325,356 | 61,972 | 387,328 | 208,198 | 595,526 |
| 1964 | 369,732 | 44,766 | 414,498 | 243,071 | 657,569 |
| 1965 | 423,219 | 40,329 | 463,548 | 936,863[1/] | 1,400,411[1/] |
| 1966 | 469,213 | 41,912 | 511,125 | 331,612 | 842,737 |
| % incr./decr. '66 vs. 1st yr. | 136.4 | 6.1 | 114.8 | 62.7 | 90.8 |

[1/] Includes a $150,000 settlement with Denver for the flooding of roads caused by the Dillon Reservoir project, and a $500,000 school bond.

Source: Summit County Audit Reports.

TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Summit

STATE Colorado

| YEAR | State Taxes ($000) Sales & Gross Receipts (1) | Individual Income (2) | Other[1/] (3) | Total[1/] (4) | Total State Taxes % of EBI (5) | Per Capita($) (6) | Local Property Taxes % of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes % of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 48 | 15 | 29 | 92 | 5.12 | 76.67 | 13.24 | 198.32 | 18.36 | 274.99 |
| 1958 | 49 | 17 | 32 | 98 | 4.72 | 75.38 | 12.91 | 206.19 | 17.63 | 281.57 |
| 1959 | 73 | 29 | 39 | 141 | 5.15 | 88.12 | 8.33 | 142.53 | 13.48 | 230.65 |
| 1960 | 88 | 36 | 55 | 179 | 4.91 | 85.24 | 6.75 | 117.22 | 11.66 | 202.46 |
| 1961 | 101 | 54 | 53 | 208 | 5.31 | 94.55 | 8.11 | 144.44 | 13.42 | 238.99 |
| 1962 | 114 | 56 | 52 | 222 | 5.76 | 100.91 | 9.37 | 164.17 | 15.13 | 265.08 |
| 1963 | 131 | 46 | 56 | 233 | 5.84 | 101.30 | 9.71 | 168.40 | 15.55 | 269.70 |
| 1964 | 102 | 48 | 52 | 202 | 4.90 | 91.82 | 10.05 | 188.41 | 14.95 | 280.23 |
| 1965 | 126 | 49 | 47 | 222 | 5.78 | 111.00 | 12.06 | 231.77 | 17.84 | 342.77 |
| 1966 | 170 | 30 | 39 | 239 | 7.24 | 152.35 | 14.29 | 300.66 | 21.53 | 453.01 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7).
Col. (10) = Col. (6) + Col. (8).

TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Summit

STATE Colorado

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 169,105 | $ 88,875 | $ 177,421 | $ 435,401 | $ 362 |
| 1958 | 218,265 | 88,629 | 205,820 | 512,714 | 394 |
| 1959 | 244,895 | 79,795 | 208,711 | 533,401 | 333 |
| 1960 | 285,078 | 68,083 | 237,787 | 590,948 | 281 |
| 1961 | 316,163 | 124,193 | 219,287 | 659,643 | 300 |
| 1962 | 578,865[1] | 143,980 | 212,772 | 935,617 | 425 |
| 1963 | 235,528 | 116,636 | 199,958 | 552,122 | 240 |
| 1964 | 387,246 | 129,107 | 228,150 | 744,503 | 338 |
| 1965 | 364,930 | 259,598 | 202,696 | 827,224 | 414 |
| 1966 | 735,286[2] | 163,480 | 337,350 | 1,236,116 | 727 |
| % incr./decr. '66 vs. first year | 343.0 | 83.9 | 90.1 | 183.9 | 100.8 |
| % incr./decr. '66 vs. first year per capita | 208.6 | 29.7 | 33.8 | 100.8 | |

[1] Includes expenditures of $273,969 for school building.
[2] Includes expenditures of $446,987 for school building.

Source: Summit County Audit Reports.
Col. (5): Col. (4) divided by population estimates, Sales Management.

County Summit

State Colorado

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1)<br>Residential | (2)<br>Commercial, Industrial | (3)<br>Public Utility | (4)<br>Rural | (5)<br>Mineral, Timber Other Nat. Res. | (6)<br>Personal | (7)<br>Other | (8)<br>Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value<br>Assr. Tax Rate 53.00 mills | $ 331,515 | $ 645,830 | $ 901,990 | $ 629,635 | $ 1,496,760 | $ 798,045 | $ 11,525 | $4,813,280 |
| Item % of Total | 6.9 | 13.4 | 18.7 | 13.1 | 31.1 | 16.6 | 0.2 | 100.0 |
| 1958 Assessed Value<br>Assr. Tax Rate 53.71 mills | 270,390 | 748,240 | 903,970 | 671,920 | 1,504,555 | 1,228,230 | 7,600 | 5,344,905 |
| 1959 Assessed Value<br>Assr. Tax Rate 44.21 mills | 227,685 | 840,910 | 845,030 | 613,380 | 1,712,485 | 1,205,855 | 8,470 | 5,453,815 |
| 1960 Assessed Value<br>Assr. Tax Rate 44.08 mills | 311,645 | 1,164,575 | 457,250 | 675,600 | 1,672,650 | 1,786,670 | 10,575 | 5,878,565 |
| 1961 Assessed Value<br>Assr. Tax Rate 50.65 mills | 380,975 | 1,369,385 | 470,530 | 642,255 | 1,677,205 | 2,083,035 | 35,195 | 6,458,580 |
| 1962 Assessed Value<br>Assr. Tax Rate 52.39 mills | 923,705 | 1,672,820 | 585,200 | 852,330 | 1,492,765 | 1,476,200 | 81,010 | 7,084,030 |
| 1963 Assessed Value<br>Assr. Tax Rate 54.59 mills | 956,560 | 1,667,525 | 676,510 | 1,260,565 | 1,470,365 | 1,159,970 | 99,665 | 7,269,100 |
| 1964 Assessed Value<br>Assr. Tax Rate 56.13 mills | 1,199,890 | 1,962,820 | 776,500 | 1,472,685 | 1,229,035 | 813,865 | 108,365 | 7,559,140 |
| 1965 Assessed Value<br>Assr. Tax Rate 57.33 mills | 1,391,580 | 2,150,560 | 878,569 | 1,582,710 | 1,228,365 | 702,055 | 151,305 | 8,085,124 |
| 1966 Assessed Value[1/]<br>Assr. Tax Rate 53.56 mills | 2,691,330 | 1,464,750 | 1,035,260 | 493,575 | 2,755,970 | 758,855 | 0 | 9,199,740 |
| Item % of Total | 29.3 | 15.9 | 11.2 | 5.4 | 30.0 | 8.2 | 0 | 100.0 |
| Increase/Decrease '66 vs. '57 | 711.8 | 126.8 | 14.8 | (21.6) | 84.4 | (4.9) | NC | 91.1 |

[1/] Assessed value represents 30 percent of actual market value in 1966.

Source: State and/or Local Government Financial Reports, estimates and allocations by ESDHC.

## TABLE NO. C-4
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = COLORADO<br>COUNTY = SUMMIT | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 9248 | 8135 | 11061 | 11765 | 8521 | 4934 | 5367 | 4202 | 6354 | 5531 |
| PERCENT BASE YEAR | 100.0 | 88.0 | 119.6 | 127.2 | 92.1 | 53.4 | 58.0 | 45.4 | 68.7 | 59.8 |
| PROGRAM ACREAGE | 274295 | 274295 | 274295 | 274295 | 274166 | 274166 | 274187 | 274187 | 274187 | 299331 |
| REVENUE $ PER ACRE | 0.03 | 0.03 | 0.04 | 0.04 | 0.03 | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 |
| SALE OF PUBLIC LANDS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 26 | 15 | 234 | 1194 | 288 | 490 | 4347 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 57.7 | 900.0 | 4592.3 | 1107.7 | 1884.6 | 16719.2 |
| TAYLOR GRAZE SECT 15* | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 52 | 37 | 15 | 108 | 141 | 69 | 45 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 71.2 | 28.8 | 207.7 | 271.2 | 132.7 | 86.5 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 22 | 17 | 18 | 25 | 24 | 24 | 31 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 77.3 | 81.8 | 113.6 | 109.1 | 109.1 | 140.9 |
| PROGRAM ACREAGE | NA | NA | NA | 9495 | 9493 | 9483 | 9455 | 9442 | 9413 | 11437 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 9248 | 8135 | 11061 | 11865 | 8590 | 5201 | 6694 | 4655 | 6937 | 9954 |
| PERCENT BASE YEAR | 100.0 | 88.0 | 119.6 | 128.3 | 92.9 | 56.2 | 72.4 | 50.3 | 75.0 | 107.6 |
| PROGRAM ACREAGE | 274295 | 274295 | 274295 | 283790 | 283659 | 283649 | 283642 | 283629 | 283600 | 310768 |
| REVENUE $ PER ACRE | 0.03 | 0.03 | 0.04 | 0.04 | 0.03 | 0.02 | 0.02 | 0.02 | 0.02 | 0.03 |

NA = data not available. This county does not have any Nonsection 10 land programs.

*Total land available under program in 1966 was 6,515 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Summit

STATE Colorado

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 115,744 | $ 13,442 |
| 1958 | 93,739 | 10,887 |
| 1959 | 72,037 | 8,366 |
| 1960 | 193,425 | 22,615 |
| 1961 | 682,157 | 86,907 |
| 1962 | 251,721 | 31,227 |
| 1963 | 361,580 | 24,254 |
| 1964 | 1,031,547 | 15,147 |
| 1965 | 4,033,877 | 58,316 |
| 1966 | 1,256,693 | 24,853 |

Source. U.S. Bureau of Public Roads, allocation by EBSMC.

TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Summit

STATE: Colorado

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Land (variety of purposes) | $ 18,950 |
| BLM | None | 0 |
|  | Total | $ 18,950 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

County **Summit**

State **Colorado**

## TABLE NO. C-7

### SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 67,759 | $ 58,848 | $ 126,607 |
| 1958 | 73,074 | 26,725 | 99,799 |
| 1959 | 96,592 | 50,356 | 146,948 |
| 1960 | 120,909 | 31,018 | 151,927 |
| 1961 | 96,429 | 63,025 | 159,454 |
| 1962 | 112,219 | 47,676 | 159,895 |
| 1963 | 283,060 | 65,685 | 348,745 |
| 1964 | 168,065 | 134,077 | 302,142 |
| 1965 | 183,603 | 122,534 | 306,137 |
| 1966 | 190,206 | 137,071 | 327,277 |
| Average Year | 139,192 | 73,701 | 212,893 |
| Item % of Total, Average Year | 65.4 | 34.6 | 100.0 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices.

Federal Agency US Forest Service

Program Arapaho National Forest

County Summit

State Colorado

TABLE NO. C-7a

Page 1 of 2

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 6,464 | $ 1,639 | $ 1,177 | $ 59,378 | $ 12,856 | $ 29 | $ 5,780 | $ 124 | $ 25,160 | $ 112,607 |
| 1958 | 2,233 | 6,382 | 9 | 22,340 | 11,858 | 9 | 28,186 | 16 | 17,766 | 88,799 |
| 1959 | 4,433 | 7,492 | 26 | 45,617 | 18,538 | 10 | 32,986 | 131 | 18,715 | 127,948 |
| 1960 | 4,331 | 7,395 | 98 | 46,420 | 15,354 | 11,360 | 27,057 | 251 | 18,661 | 130,927 |
| 1961 | 11,402 | 8,672 | 425 | 31,796 | 22,071 | 9,321 | 41,941 | 1,323 | 8,503 | 135,454 |
| 1962 | 4,535 | 8,768 | 3,790 | 24,844 | 19,832 | 3,243 | 60,625 | 4,748 | 10,510 | 140,895 |
| 1963 | 106,872 | 10,941 | 8,205 | 37,058 | 34,857 | 745 | 92,105 | 1,778 | 31,184 | 323,745 |
| 1964 | 9,948 | 11,480 | 7,653 | 75,461 | 31,889 | 1,210 | 71,684 | 1,261 | 64,556 | 275,142 |
| 1965 | 12,948 | 12,032 | 7,927 | 109,287 | 27,663 | 1,420 | 76,667 | 1,353 | 30,840 | 280,137 |
| 1966 | 4,651 | 11,966 | 10,270 | 105,717 | 30,468 | 1,174 | 74,099 | 1,676 | 57,256 | 297,277 |

Source: Federal Agencies' Field Offices.

C 15 – H

Federal Agency Interior - BLM

Program All

County Summit

State Colorado

TABLE NO. C-7a

Page 2 of 2

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 5,600 | $ 2,800 | $ NA | $ 0 | $ 0 | $ NA | $ NA | $ 5,600 | $ 14,000 |
| 1958 | 0 | 3,002 | 2,002 | NA | 0 | 0 | NA | NA | 5,996 | 11,000 |
| 1959 | 0 | 7,600 | 7,600 | NA | 0 | 0 | NA | NA | 3,800 | 19,000 |
| 1960 | 0 | 8,757 | 6,993 | NA | 0 | 0 | NA | NA | 5,250 | 21,000 |
| 1961 | 0 | 12,000 | 7,200 | NA | 0 | 0 | NA | NA | 4,800 | 24,000 |
| 1962 | 0 | 5,851 | 2,926 | NA | 0 | 0 | NA | NA | 10,223 | 19,000 |
| 1963 | 1,551 | 6,250 | 4,699 | NA | 3,125 | 6,250 | NA | NA | 3,125 | 25,000 |
| 1964 | 1,295 | 7,721 | 3,861 | NA | 2,566 | 6,426 | NA | NA | 5,131 | 27,000 |
| 1965 | 1,195 | 8,268 | 3,537 | NA | 3,537 | 2,366 | NA | NA | 7,097 | 26,000 |
| 1966 | 1,169 | 9,239 | 2,310 | NA | 3,451 | 1,141 | NA | NA | 12,690 | 30,000 |

Source: Federal Agencies' Field Offices.

TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Summit

STATE Colorado

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | | | | | | |
| Grazing | $ 6.00 | 40,514 | $ 243,084 | 47.80 | $ 11,619 | 29 c |
| Arid, Waste, Seep, Other | 2.05 | 258,369 | 529,656 | 47.80 | 25,318 | 10 |
| Mountain Home Sites | 50.00 | 4 | 200 | 47.80 | 10 | 239 |
| Commercial Property | 150.00 | 444 | 6,660 | 47.80 | 318 | 717 |
| BLM | | | | | | |
| Grazing | 6.00 | 17,952 | 107,712 | 47.80 | 5,149 | 29 |
| Totals | $ 2.80 | 317,283 | $ 887,312 | 47.80 | $ 42,414 | 13 c |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county **excluding** municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

Federal Agency US Forest Service

Revenue Sharing Program Arapaho National Forest (25%)a/

County Summit

State Colorado

## TABLE NO. C-9

## THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

|  | (1) | (2) | (3) | (4) | (5) |
|---|---|---|---|---|---|
| Year | Gross Receipts | K-V Fund Collections | Net Receipts (Col. 1 - 2) | Net Payment to Local Government | Revenue Share Lost (Col. 2 × a/) |
| 1957 | $ 39,808 | $ 2,812 | $ 36,996 | $ 9,249 | $ 703 |
| 1958 | 34,783 | 2,241 | 32,542 | 8,136 | 560 |
| 1959 | 55,193 | 10,948 | 44,245 | 11,061 | 2,737 |
| 1960 | 56,233 | 9,173 | 47,060 | 11,765 | 2,293 |
| 1961 | 42,674 | 8,588 | 34,086 | 8,521 | 2,147 |
| 1962 | 28,721 | 8,981 | 19,740 | 4,935 | 2,245 |
| 1963 | 37,015 | 15,545 | 21,470 | 5,367 | 3,886 |
| 1964 | 35,158 | 18,348 | 16,810 | 4,202 | 4,587 |
| 1965 | 33,382 | 7,964 | 25,418 | 6,355 | 1,991 |
| 1966 | 34,565 | 12,439 | 22,126 | 5,531 | 3,110 |

Source: Federal Agencies' Field Offices.

# CASE COUNTY DIGEST
# CLEARWATER, IDAHO

## I. The County

a. General Description: Clearwater is a large county located in the northern part of the state, bordering Montana and about 30 miles from the State of Washington. The county seat is Orofino. There are four municipalities, two school districts and 11 special districts which perform community services, fire protection, library and sanitation. The conventional form of county government provides a full range of county services including tax assessment and collection. This, however, is done under the supervision of the State Tax Commission. The municipalities maintain separate administrative and financial control functions but their tax assessment and collection is provided through the county facilities. In addition the municipalities provide local street services, law enforcement and refuse collection for their citizens.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 8,548 | 1966 | 2 | 9,200 | 7.6 |
| Urban1/ | 1960 | 1 | 0 | 1966 | 2 | 0 | 0 |
| Rural | 1960 | 1 | 8,548 | 1966 | 2 | 9,200 | 7.6 |
| Employment | 1959 | 3 | 1,661 | 1966 | 3 | 2,063 | 24.2 |
| Effective Buying Income ($000) | 1960 | 2 | 15,656 | 1966 | 2 | 20,037 | 28.0 |
| Per Capita EBI ($) | 1960 | 2 | 1,820 | 1966 | 2 | 2,178 | 19.7 |
| Public School Enrollment (K-12) | 1960 | 1 | 1,954 | 1965 | 4 | 2,000 | 2.4 |

---

1/ Includes areas of 2,500 people or more.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U. S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U. S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

As the foregoing figures indicate, this sparsely populated county experienced an increase in its population equal to 8% during the years 1960-1966. All of this increase occurred in the rural areas. The extremely small employment base increased moderately during the 1959-1966 period along with total effective buying income. Correspondingly, the per capita EBI increased enough to bring the 1966 figures closer to national averages. Public school enrollment (K-12) increased slightly during the 1960-1965 period.

c. The Land: Of Clearwater's total area of over 1.6 million acres, over 860,000 acres or 53% of the total are in Federal ownership. Of the total Federal acreage, about 801,700 acres are subject to revenue sharing provisions and are distributed by agency as follows:

| | |
|---|---|
| Forest Service (FS) | 787,048 acres |
| Corps of Engineers (C of E) | 2,884 acres |
| Bureau of Land Management (BLM) | 11,798 acres |
| Total | 801,730 acres |

The Federally owned land includes 9,000 acres which were withdrawn public domain lands and approximately 36,000 acres which were acquired and, together with the withdrawn lands, serve for the construction of the Dworshak Dam and related flood control areas. These 45,000 acres are not subject to payments in lieu of taxes and while the project is under construction they yield little or no revenues to the county.

## II. County Finance

a. Revenues: Table No. C-1 contains detailed revenue data for the period 1957-1966 for the county and all units of government therein. During this period total receipts increased less than $300,000 or 15%. The largest share of the increase stemmed from property taxes. "Other Taxes and Revenues" increased by only 7% during the 10-year period or $68,000, although, when the 1966 receipts are compared with the more typical 1958 receipts, an increase of $312,000 or 45% results. It is suspected that the 1957 figures are distorted due to the receipt of some extraordinary funds.

Bonded indebtedness of the county and its units of government declined during the 1956-1966 period. According to county audit reports, no new indebtedness was issued since 1961 while a gradual reduction in the outstanding debt occurred in each of the study years. A summary at the end of the case study digest shows the face value and outstanding debt as of 1966 by bond category.

Table No. C-1a shows that state taxes increased from $75 to $123 per capita while local property taxes did not increase at all during the 1957-1966 period. However, they dipped to a low of $99 in 1962 after a high of $115 in 1958. Combined state and local property taxes increased 26% per capita during the 1957-1966 period although they only increased 7% when related to EBI during the same period.

b. Expenditures: Expenditures rose in line with receipts providing fairly balanced budgets for each year in the 10-year period. Expenditures for highways and items other than education remained fairly constant; however, expenditures for education rose at the rate of 56% during the 10-year period. Government expenditures per capita showed a small decline.

c. Property Taxes: Table No. C-3 contains detailed data for the assessed value of property subject to tax during the period 1957-1966. In 1966 the ratio of assessed-value-to-market-value was changed, resulting in an increase in total assessed value. The applicable millage rate was reduced at the same time to offset the increase in assessed value. Put differently, on an equalized basis, the increase in assessed value for 1966 amounted to approximately 30% over the preceding year while a simultaneous reduction in the mill rate resulted in a net increase in the revenue from property tax of less than 10%. Overall, Table No. C-3 shows an absolute increase in the assessed values of residential, commercial and industrial properties.

Included in the assessed values and tax revenues are the figures pertaining to possessory interests on Federal lands. The summary at the end of the case study digest contains the types of permits, the assessed values and the tax revenues where applicable. They show totals of $18,113 and $1,440 respectively.

### III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: In addition to the substantial acreage managed by the FS in the St. Joe and Clearwater National Forests, the BLM maintains Section 15 grazing leases on approximately 11,800 acres. The C of E, which originally acquired and withdrew 47,600 acres, had in 1966 under its direct management 2,884 acres, while the balance was turned over to FS management and is included with the acreage shown for that agency. Table No. C-4 contains yearly data, to the extent it is available on a county basis, for the revenue sharing payments and the applicable acreages for the three agencies. The totals varied from a low of $61,038 in 1965 to a high of $165,800 in 1960. The figures in the total column indicate considerable fluctuations from year to year and, realizing that these figures represent considerable percentages of the county's total receipts, it is evident that these fluctuations in annual payments may cause financial problems. The very small payments under the Taylor Grazing Act are returned to the District Advisory Board which uses them for range improvement purposes only.

b. Indirect Benefits: The State of Idaho is eligible for the BPR Sliding Scale Highway Aid Program and, as a result thereof, payments allocable to Clearwater County were made in six of the years from 1957 to 1966. Table No. C-5 contains the figures for that period. In 1966 a low of $11,000 was attributed to the presence of public lands while in 1962 a high of $138,000 was available.

c. Value of Free Goods and Services: Only the FS has made available to the county (and agencies of the state) a variety of free goods and services. They included tracts of land for public facilities including a radio antenna site, fire lookouts, rights-of-way for logging roads, and an airport site. Table No. C-6 contains a summary of the types of goods and services made available free of charge and an estimate of their annual value. The total estimate amounts to $3,841.

d. Federal Facilities and Services Having Joint Use: Again, only the FS has shared certain of its facilities with the county. This applies primarily to the use of some 13 miles of road which were estimated as being utilized at a rate ranging from 20% to 75% by the county. The annual value of this free use based on the capital cost, the useful life, annual maintenance costs, and apportioning of the utilization rate amounts to $1,689.

e. Resource Expenditures - Management: All three agencies made expenditures within the framework of their routine land management programs. Table No. C-7 contains a summary of these expenditures for the years 1959 to 1966 (figures for 1957 and 1958 were available only from BLM and have been included at the bottom of the table). Although resource expenditures fluctuated, the trend was an increase in expenditures primarily those made by the FS. Its program of timber reforestation was substantially stepped up and, likewise, the expenditures for roads increased very significantly during the eight-year period. The details by expenditure category are contained in Tables No. C-7a1, 2 and 3. The C of E resource expenditures began in 1963, two years after the acquisition of lands for the dam and reservoir was initiated. Its expenditures were limited to fire protection and reflect payments made to the Clearwater-Potlatch Timber Protective Association.

The management functions of the FS and BLM are overlapping, both agencies reporting that they are engaged in all of the routine Federal land management functions.

## IV. Burdens to Local Government

a. Direct Burdens: The existence of public land in Clearwater County is causing at least three types of direct financial burdens upon local units of government. Discussions with local government officials and review of their records indicate the following annual burdens for which no reimbursements by the Federal agencies are made:

| | |
|---|---|
| Maintenance of Roads | $35,000 |
| Law Enforcement | 4,700 |
| Welfare | 7,500 |
| Total | $47,200 |

The expenditures for law enforcement include those attributable to search and rescue upon the Federal lands. The expenditures for welfare, according to the County Welfare Director, are attributable to the influx of workers engaged in Dworshak Dam construction. The latter might be tagged more appropriately as a Federal construction project rather than an occurrence purely attributable to the existence of public land.

b. Indirect Burden: The Federal lands' immunity to taxation by local governments represents loss of an important revenue source. The Federal lands in Clearwater are composed of various qualities which include not only timber and grazing acreages but also suburban-residential quality land (specifically that which has been withdrawn and/or acquired by the C of E). Table No. C-8 contains an estimate for the assessed values and the potential tax revenues from the Federal lands which might be obtained if they were in private ownership. This estimate shows a total assessed value of approximately $3.2 million and potential tax revenues of about $232,000, or an average of 29¢/acre.

In the case of Clearwater County, it is pertinent to identify the specific treatment accorded to acquired and withdrawn lands as opposed to public domain acreage in the county. As mentioned previously, the C of E acquired a quantity of land needed for the dam and reservoir construction. Unfortunately, it was infeasible to ascertain precisely the assessed value and resulting tax revenues from these lands prior to their acquisition by the Federal agency.

However, if it is assumed that some 40,000 acres were acquired with the minimal acreage assessed value of $3/acre and the prevailing tax rate of 72.4 mills, these lands would have produced tax revenues of $8,688/year, or an average of 22¢/acre. To date these same lands, since the time of acquisition, have produced virtually no revenue which is specifically attributable to them. During the period 1963-1966 the National Forest lands produced an average of 10¢/acre in net revenue shared with the county (the 1966 revenue was 16¢/acre). This comparison shows that during each of the years 1963-1966, a minimum of 10¢/acre was lost in tax revenue, or a total of approximately $16,600. Because the estimate of previously assessed value of these lands is on the most conservative side, it is also useful to compare it with the average tax revenue generated from all taxable real properties in the county. Admittedly, these include not only the value of the land but also the improvements thereon. The 1966 figures contained in Table No. C-1 indicate that the average tax revenue per acre of non-Federal land in Clearwater County has generated revenue equal to $1.40 or just under seven times the figure computed in the estimate for the acquired land.

It is difficult to make a definitive statement as to the amount of tax revenue lost by the county. The foregoing, however, is indicative of a large disparity when the acquired land is compared with the minimum revenue it must have produced prior to its acquisition. This is true even if it is assumed that these lands are now producing a proportionate share of Forest Fund revenue sharing payments. Finally, within this context, it should be mentioned that in what is considered to be a similar situation, namely the acquisition of lands for the construction of the Libby Dam in Lincoln County, Montana, a massive Federal aid program, amounting to $3 million over the three-year period, was specifically legislated to assist in the variety of problems created by the acquisition of privately owned lands and their removal from the tax rolls, and the transition in economic activity occasioned by the construction of the dam. The information obtained from both Federal agencies and county officials has not shown that any comparable treatment was accorded Clearwater County.

c. The Effects of Sharing Net Versus Gross Receipts: Table No. C-9 contains the pertinent data for each of the years during the 1957-1966 period. Throughout the 10-year period specified costs generally amounted to 10% of gross receipts and in 1966 increased to 17%. The resulting revenue share "lost" during the years 1961 through 1966 was correspondingly small except for 1966 when it amounted to 21% of the net revenue shared.

Additionally the RS payments to the county have been reduced as a result of the FS's practice to reduce the value of the timber purchase contracts by the estimated cost of construction and reconstruction of harvest roads. If this reduction had not been made in 1966 -- it amounted to $1,101,552 -- the RS payment to the county would have been increased by $275,388.

d. Public Laws 815 and 874: Clearwater County school districts qualified in the years 1963 to 1966 for Federal aid under PL 874. The pertinent figures are contained in Table No. C-10. It should be noted that there was a steady increase in the Federal aid ranging from less than 1% of the total school budget to 5% in 1966. It is understood that this increase is a function of the increasing number of workers engaged in the construction of the Federal dam on public domain and acquired Federal land.

## V. Impact of Present System

a. County Finances: In addition to the analysis in the previous section, the impact of the present system upon county and local units of government can be measured, to some extent, by a comparative analysis of the net financial benefits. They are composed of the following items (1966 figures):

| | |
|---|---|
| Revenue Sharing (C-4) | $123,024 |
| Sliding Scale Payments (C-5)[1] | 10,120 |
| Free Goods and Services (C-6) | 3,841 |
| Joint Use Facilities (III.d.) | 1,689 |
| Total Direct Benefits | $138,674 |

From these must be deducted the financial burdens resulting from the existence of public lands:

| | |
|---|---|
| Direct Burdens (IV.a.) | $ 47,200 |
| Resulting Net Benefits | $ 91,474 = 11¢/acre |

The above figures compared with the potential tax revenue from the lands, if they were in private ownership, results in a considerable disparity, 29¢/acre as opposed to the above 11¢/acre.

b. The Overview: Clearwater County is beset with many problems, only a few of which relate to the presence of public lands. Most important of these are the implications resulting from the Federal dam construction which has caused a temporary increase in the county population, an increased demand for public services and no increase in revenues to county government from which to finance the increased burdens. In the broader context, the existence of substantial acreage under the control of the Bureau of Indian Affairs must also be recognized. These lands, while creating a heavy demand for public services, make no direct contribution whatever toward the cost of these services. Finally, according to local officials, there is a large disparity between the revenues resulting from the Federal forests as compared with those from privately owned forests. The difference in per acre payments has been estimated to range from two to 10 times. A review of the records substantiates the notion that privately owned timber lands contribute to county revenues approximately twice as much as the net revenues realized from the revenue sharing payments.

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[1] Reflects 1966 payment of $11,000 reduced by 8% which is attributable to the non-RS subject public domain acreage.

It is commonly recognized by county officials that subsequent to the completion of the dam project, opportunities will arise for new and expanded economic activities in the county. However, it has been pointed out by these county officials that there is an apparent lack of development planning regarding the new dam and reservoir. Initially, it was suggested that eight new recreation areas, including marinas, camp sites and beaches, would be developed on the shoreline of the reservoir. Presently, concrete plans for only three such areas have been made and there is a continuing reluctance to permit any substantial private development, excepting a few concessions on the periphery of the C of E project.

Another problem stems from the inability of the FS to exchange some of its lands for the acquired lands and, thereby, make acreages available for private development. The FS contends that since the acquisitions were made by the C of E and under its specific jurisdiction, it is lacking authority to make exchanges for the acquired lands with national forest lands.

## CLEARWATER, IDAHO

## SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation[1] | Total Tax Revenue |
|---|---|---|---|
| BLM | Grazing | 0 | 0 |
| C of E | Rights-of-way | 0 | 0 |
| FS | Commercial | 18,113 | 1,440 |
| | Total | $18,113 | $1,440 |

[1] Estimate. Based on average millage rate for 1966.

Source: Federal Agencies' Field Offices and County Tax Assessor.

## BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Schools | $ 760,000 | $364,000 |
| Roads | 14,800 | 6,000 |
| Water & Sewage | 291,100 | 194,200 |
| Hospital | 200,000 | 106,000 |
| Total | $1,265,900 | $670,200 |

Source: Clearwater County Audit Reports.

## TABLE NO. C-1

## LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Clearwater

STATE Idaho

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 619,501 | $ 220,911 | $ 840,412 | $ 934,604 | $ 1,775,016 |
| 1958 | 672,396 | 165,575 | 837,971 | 690,694 | 1,528,665 |
| 1959 | 685,660 | 205,432 | 891,092 | 602,576 | 1,493,668 |
| 1960 | 682,525 | 219,319 | 901,844 | 641,126 | 1,542,970 |
| 1961 | 697,097 | 193,352 | 890,449 | 610,536 | 1,500,985 |
| 1962 | 665,427 | 182,726 | 848,153 | 724,364 | 1,572,517 |
| 1963 | 724,398 | 238,168 | 962,566 | 675,415 | 1,637,981 |
| 1964 | 691,809 | 254,118 | 945,927 | 707,683 | 1,653,610 |
| 1965 | 739,113 | 222,823 | 961,936 | 912,864 | 1,874,800 |
| 1966 | 767,497 | 277,513 | 1,045,010 | 1,002,866 | 2,047,876 |
| % incr./decr. '66 vs. 1st yr. | 23.9 | 25.6 | 24.3 | 7.3 | 15.4 |

Source: Clearwater County Audit Reports.

## TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Clearwater

STATE Idaho

| YEAR | State Taxes ($000)<br>Sales & Gross Receipts (1) | Individual Income (2) | Other[1/] (3) | Total[1/] (4) | Total State Taxes<br>% of EBI (5) | Per Capita($) (6) | Local Property Taxes<br>% of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes<br>% of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 239 | 132 | 181 | 552 | 4.40 | 74.59 | 6.70 | 113.57 | 11.10 | 188.16 |
| 1958 | 244 | 144 | 197 | 583 | 4.61 | 80.14 | 6.61 | 114.79 | 11.21 | 194.93 |
| 1959 | 199 | 175 | 205 | 579 | 4.34 | 78.24 | 6.67 | 120.42 | 11.01 | 198.66 |
| 1960 | 299 | 284 | 241 | 824 | 5.26 | 95.81 | 5.76 | 104.87 | 11.02 | 200.68 |
| 1961 | 230 | 240 | 270 | 740 | 5.26 | 86.05 | 6.33 | 103.54 | 11.59 | 189.59 |
| 1962 | 231 | 270 | 265 | 766 | 5.41 | 89.07 | 5.99 | 98.62 | 11.40 | 187.69 |
| 1963 | 253 | 266 | 281 | 800 | 5.31 | 93.02 | 6.39 | 111.93 | 11.70 | 204.95 |
| 1964 | 233 | 306 | 288 | 827 | 5.39 | 96.16 | 6.16 | 109.99 | 11.55 | 206.15 |
| 1965 | 235 | 344 | 313 | 892 | 5.57 | 103.72 | 6.01 | 111.85 | 11.58 | 215.57 |
| 1966 | 465 | 373 | 296 | 1,134 | 5.66 | 123.26 | 5.22 | 113.58 | 11.88 | 236.84 |

[1/] Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7).
Col. (10) = Col. (6) + Col. (8).

## TABLE NO C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Clearwater

STATE Idaho

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 635,519 | $ 375,112 | $ 693,635 | $ 1,704,266 | $ 230 |
| 1958 | 628,942 | 260,482 | 701,375 | 1,590,799 | 218 |
| 1959 | 690,393 | 352,169 | 440,536 | 1,483,098 | 200 |
| 1960 | 687,428 | 266,226 | 584,086 | 1,537,740 | 179 |
| 1961 | 728,232 | 450,550 | 459,567 | 1,638,349 | 190 |
| 1962 | 809,889 | 330,974 | 522,503 | 1,663,366 | 190 |
| 1963 | 772,032 | 298,149 | 306,670 | 1,376,851 | 160 |
| 1964 | 808,736 | 286,927 | 618,891 | 1,714,554 | 199 |
| 1965 | 821,584 | 248,309 | 656,829 | 1,726,722 | 201 |
| 1966 | 991,885 | 375,039 | 659,643 | 2,026,567 | 220 |
| % incr./decr.'66 vs. first year | 56.1 | 0 | (4.9) | 18.9 | (4.3) |
| % incr./decr.'66 vs. first year per capita | 25.6 | (19.6) | (23.4) | (4.3) | |

Source: Clearwater County Audit Reports.
Col. (5): Col. (4) divided by population estimates, Sales Management.

County Clearwater

State Idaho

# TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1)<br>Residential | (2)<br>Commercial, Industrial | (3)<br>Public Utility | (4)<br>Rural | (5)<br>Mineral, Timber Other Nat. Res. | (6)<br>Personal | (7)<br>Other | (8)<br>Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 723,243 | $ 360,692 | $1,488,265 | $1,105,927 | $ 3,417,355 | $2,537,976 | $20,902 | $ 9,654,360 |
| Aver. Tax Rate 87.0 mills | | | | | | | | |
| Item % of Total | 7.5 | 3.7 | 15.4 | 11.5 | 35.4 | 26.3 | 0.2 | 100.0 |
| 1958 Assessed Value | 747,209 | 616,059 | 1,681,908 | 1,125,261 | 3,464,791 | 1,858,996 | 111,781 | 9,608,005 |
| Aver. Tax Rate 89.1 mills | | | | | | | | |
| 1959 Assessed Value | 761,196 | 554,713 | 1,449,671 | 1,184,974 | 3,709,291 | 2,295,380 | 0 | 9,955,223 |
| Aver. Tax Rate 89.5 mills | | | | | | | | |
| 1960 Assessed Value | 760,583 | 575,653 | 1,462,665 | 1,170,623 | 3,725,956 | 2,473,035 | 0 | 10,168,497 |
| Aver. Tax Rate 88.7 mills | | | | | | | | |
| 1961 Assessed Value | 763,596 | 552,297 | 1,441,512 | 1,171,827 | 3,623,816 | 2,095,332 | 0 | 9,648,380 |
| Aver. Tax Rate 92.3 mills | | | | | | | | |
| 1962 Assessed Value | 772,015 | 397,525 | 1,439,764 | 1,112,072 | 3,658,262 | 2,026,537 | 0 | 9,406,155 |
| Aver. Tax Rate 90.2 mills | | | | | | | | |
| 1963 Assessed Value | 780,256 | 397,867 | 1,428,825 | 1,162,061 | 3,444,052 | 2,371,406 | 0 | 9,584,467 |
| Aver. Tax Rate 100.4 mills | | | | | | | | |
| 1964 Assessed Value | 794,427 | 402,029 | 1,386,378 | 1,167,839 | 3,306,345 | 2,592,344 | 0 | 9,649,362 |
| Aver. Tax Rate 98.0 mills | | | | | | | | |
| 1965 Assessed Value | 855,419 | 428,463 | 1,348,906 | 1,149,768 | 3,446,206 | 2,910,770 | 0 | 10,139,510 |
| Aver. Tax Rate 94.9 mills | | | | | | | | |
| 1966 Assessed Value 1/ | 1,257,194 | 1,687,717 | 1,855,805 | 1,316,003 | 3,535,412 | 3,489,362 | 0 | 13,141,473 |
| Aver. Tax Rate 79.5 mills | | | | | | | | |
| Item % of Total | 9.6 | 12.8 | 14.1 | 10.0 | 26.9 | 26.6 | 0 | 100.0 |
| Increase/Decrease '66 vs. '57 | 73.8 | 367.9 | 24.7 | 19.0 | 3.5 | 37.5 | (100.0) | 36.1 |

1/ Assessed value represents 15.5 percent of actual market value in 1966.

Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = IDAHO<br>COUNTY = CLEARWATER | | | | | | | | | | |
| NATIONAL FORESTS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 136606 | 117750 | 124036 | 165703 | 69215 | 85902 | 71880 | 70016 | 60828 | 122559 |
| PERCENT BASE YEAR | 100.0 | 85.0 | 89.5 | 119.5 | 49.9 | 62.0 | 51.9 | 50.5 | 43.9 | 88.4 |
| PROGRAM ACREAGE | 793080 | 793203 | 793156 | 794024 | 794024 | 793943 | 793849 | 793849 | 793849 | 787048 |
| REVENUE $ PER ACRE | 0.17 | 0.15 | 0.16 | 0.21 | 0.09 | 0.11 | 0.09 | 0.09 | 0.08 | 0.16 |
| TAYLOR GRAZE SECT 15* | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 93 | 145 | 102 | 71 | 94 | 102 | 102 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 155.9 | 109.7 | 76.3 | 101.1 | 109.7 | 109.7 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 136606 | 117750 | 124036 | 165796 | 69360 | 86004 | 71951 | 70110 | 60930 | 122661 |
| PERCENT BASE YEAR | 100.0 | 85.0 | 89.5 | 119.6 | 50.0 | 62.0 | 51.9 | 50.6 | 44.0 | 88.5 |
| PROGRAM ACREAGE | 793080 | 793203 | 793156 | 794024 | 794024 | 793943 | 793849 | 793849 | 793849 | 787048 |
| REVENUE $ PER ACRE | 0.17 | 0.15 | 0.16 | 0.21 | 0.09 | 0.11 | 0.09 | 0.09 | 0.08 | 0.16 |

NA = data not available.

*Total land available under program in 1966 was 17,309 acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are affected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

C19-14

PUBLIC LAND LAW REVIEW COMMISSION

TABLE NO. C-4A
FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS.NON SECTION 10 LANDS
(AND TOTALS FOR ALL SECTION 10 AND NONSECTION 10 PROGRAMS)

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = IDAHO<br>COUNTY = CLEARWATER | | | | | | | | | | |
| FLOOD CONTROL PROGRAM * | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11 | 106 | 361 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 963.6 | 3281.8 |
| TOTAL ALL SECTION 10 & NONSECTION 10 PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 138606 | 117750 | 124036 | 165796 | 69360 | 86004 | 71951 | 70121 | 61036 | 123022 |
| PERCENT BASE YEAR | 100.0 | 85.0 | 89.5 | 119.6 | 50.0 | 62.0 | 51.9 | 50.6 | 44.0 | 88.8 |
| PROGRAM ACREAGE | 793080 | 793203 | 793156 | 794024 | 794024 | 793943 | 793849 | 793849 | 793849 | 787048 |
| REVENUE $ PER ACRE | 0.17 | 0.15 | 0.16 | 0.21 | 0.09 | 0.11 | 0.09 | 0.09 | 0.08 | 0.16 |

C19-15

* Total land available under program in 1966 was 2884 acres. Balance of (44,738) C of E acres included in Forest Service acres.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Clearwater

STATE Idaho

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 461,000 | $ 86,000 |
| 1958 | 175,000 | 32,000 |
| 1959 | 0 | 0 |
| 1960 | 455,000 | 95,000 |
| 1961 | 0 | 0 |
| 1962 | 746,000 | 158,000 |
| 1963 | 341,000 | 72,000 |
| 1964 | 0 | 0 |
| 1965 | 0 | 0 |
| 1966 | 55,000 | 11,000 |

Source: U.S. Bureau of Public Roads, allocation by EBSMC.

C17-16

## TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Clearwater

STATE: Idaho

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| Forest Service | Land | $ 2,225 |
| | Construction Material | 716 |
| | Other | 900 |
| | Total | $ 3,841 |

Source: Federal Agencies' Field Offices, EBSMC Estimates.

C19-17

County Clearwater

State Idaho

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 1/ | | | |
| 1958 1/ | | | |
| 1959 | $ 653,157 | $384,548 | $1,037,705 |
| 1960 | 738,800 | 159,352 | 898,152 |
| 1961 | 881,151 | 287,753 | 1,168,894 |
| 1962 | 1,164,229 | 97,955 | 1,262,184 |
| 1963 | 1,022,174 | 313,140 | 1,335,314 |
| 1964 | 821,605 | 500,106 | 1,321,711 |
| 1965 | 1,519,254 | 317,300 | 1,836,554 |
| 1966 | 1,897,190 | 603,025 | 2,500,215 |
| Average Year | 1,087,195 | 332,897 | 1,420,092 |
| Item % of Total, Average Year | 76.6 | 23.4 | 100.0 |

1/ 1957 and 1958 figures for Forest Service are not available. BLM figures are as follows:

For 1957, Administrative Expenses = $2,300, Capital Expenditures = $1,700.
For 1958, Administrative Expenses = $2,000, Capital Expenditures = $2,000.

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices.

C19-18

Federal Agency US Forest Service

Program St. Joe & Clearwater National Forests

County Clearwater

State Idaho

TABLE NO. C-7a

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA | $ NA |
| 1958 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 1959 | 105,886 | 189 | 1,432 | 283,501 | 61,601 | 203,156 | 5,737 | 2,488 | 44,752 | 708,744 |
| 1960 | 175,081 | 78 | 0 | 278,952 | 58,009 | 230,976 | 3,898 | 2,209 | 76,943 | 826,146 |
| 1961 | 150,376 | 150 | 0 | 211,047 | 77,199 | 193,040 | 9,752 | 3,097 | 40,427 | 685,088 |
| 1962 | 1,240,763 | 467 | 171 | 236,616 | 110,099 | 211,424 | 28,531 | 6,759 | 89,455 | 1,924,285 |
| 1963 | 150,522 | 828 | 591 | 737,899 | 179,068 | 207,050 | 43,733 | 7,313 | 251,435 | 1,578,439 |
| 1964 | 206,077 | 396 | 484 | 569,647 | 198,088 | 212,805 | 23,870 | 6,778 | 105,354 | 1,350,499 |
| 1965 | 73,194 | 369 | 62 | 1,025,305 | 198,863 | 246,497 | 32,248 | 10,423 | 52,039 | 1,639,000 |
| 1966 | 100,628 | 104 | 377 | 1,689,559 | 211,601 | 208,452 | 38,278 | 6,499 | 56,477 | 2,311,975 |

Source: Federal Agencies' Field Offices.

Federal Agency Interior - BLM

Program All

County Clearwater

State Idaho

TABLE NO. C-7a

Page 2 of 3

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 0 | $ 1,176 | $ 236 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 2,588 | $ 4,000 |
| 1958 | 200 | 1,000 | 600 | 0 | 0 | 0 | 0 | 0 | 2,200 | 4,000 |
| 1959 | 666 | 1,999 | 1,001 | 0 | 0 | 0 | 0 | 0 | 2,334 | 6,000 |
| 1960 | 572 | 2,000 | 856 | 0 | 0 | 0 | 0 | 0 | 572 | 4,000 |
| 1961 | 1,054 | 3,708 | 1,061 | 0 | 0 | 0 | 0 | 0 | 3,177 | 9,000 |
| 1962 | 858 | 2,573 | 1,284 | 0 | 427 | 0 | 0 | 0 | 858 | 6,000 |
| 1963 | 1,880 | 2,824 | 1,409 | 0 | 1,415 | 0 | 0 | 0 | 472 | 8,000 |
| 1964 | 818 | 2,462 | 616 | 0 | 616 | 0 | 0 | 0 | 3,488 | 8,000 |
| 1965 | 1,280 | 3,520 | 960 | 320 | 1,280 | 0 | 0 | 0 | 640 | 8,000 |
| 1966 | 969 | 2,911 | 482 | 486 | 969 | 0 | 0 | 0 | 2,183 | 8,000 |

Source: Federal Agencies' Field Offices.

C19-20

Federal Agency Corps of Engineers
Program Dworshak Dam and Reservoir
County Clearwater
State Idaho

TABLE NO. C-7a

FEDERAL RESOURCE PROGRAM EXPENDITURE[1]

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | | | | | | | | | | |
| 1958 | | | | | | | | | | |
| 1959 | | | | | | | | | | |
| 1960 | | | | | | | | | | |
| 1961 | | | | | | | | | | |
| 1962 | | | | | | | | | | |
| 1963 | | | | | | | | | | |
| 1964 | | | | | | | | | | |
| 1965 | $16,570 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | $16,570 |
| 1966 | 1,053 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,053 |

[1] Program began in 1963, no resource expenditures until 1965.

Source: Federal Agencies' Field Offices.

COUNTY Clearwater

STATE Idaho

## TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| Forest Service | | | | | | |
| Timberland - Class I | $ 5.71 | 321,631 | $ 1,836,513 | 72.4 | $ 132,964 | 41¢ |
| Class II | 5.00 | 94,575 | 472,875 | 72.4 | 34,236 | 36 |
| Class III | 3.00 | 76,185 | 228,555 | 72.4 | 16,547 | 22 |
| Class IV | 1.50 | 294,657 | 441,986 | 72.4 | 32,000 | 11 |
| BLM | | | | | | |
| Timberland | 25.00 | 6,866 | 171,650 | 72.4 | 12,427 | 181 |
| Reproduction Land | 2.00 | 10,679 | 21,358 | 72.4 | 1,546 | 14 |
| Reforestation Land | 1.00 | 24 | 24 | 72.4 | 2 | 7 |
| C of E | | | | | | |
| Suburban | 56.90 | 144 | 8,194 | 72.4 | 593 | 412 |
| Dry Grazing | 2.88 | 2,051 | 5,907 | 72.4 | 428 | 20 |
| Agricultural | 25.21 | 689 | 17,370 | 72.4 | 1,258 | 183 |
| Totals | $ 3.97 | 807,501 | $ 3,204,432 | 72.4 | $ 232,001 | 29¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

C11-22

Federal Agency US Forest Service
Revenue Sharing Program Clearwater and St. Joe National Forests (25%)[a/]
County Clearwater
State Idaho

TABLE NO. C-9

THE EFFECTS OF SHARING NET VS. GROSS RECEIPTS

| Year | (1) Gross Receipts | (2) K-V Fund Collections | (3) Net Receipts (Col. 1 - 2) | (4) Net Payment to Local Government | (5) Revenue Share Lost (Col. 2 × a/) |
|---|---|---|---|---|---|
| 1957 | $ 576,460 | $ 22,032 | $ 554,428 | $ 138,607 | $ 5,508 |
| 1958 | 517,253 | 46,249 | 471,004 | 117,751 | 11,562 |
| 1959 | 568,263 | 72,115 | 496,148 | 124,037 | 18,029 |
| 1960 | 764,030 | 101,210 | 662,820 | 165,705 | 25,302 |
| 1961 | 300,144 | 23,276 | 276,868 | 69,217 | 5,819 |
| 1962 | 374,402 | 30,794 | 343,608 | 85,902 | 7,698 |
| 1963 | 308,183 | 20,659 | 287,524 | 71,881 | 5,165 |
| 1964 | 303,462 | 23,394 | 280,068 | 70,017 | 5,848 |
| 1965 | 274,337 | 31,021 | 243,316 | 60,829 | 7,755 |
| 1966 | 591,331 | 101,095 | 490,236 | 122,559 | 25,274 |

Source: **Federal Agencies' Field Offices.**

County Clearwater

State Idaho

## TABLE NO. C-10

## FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACIED AREAS

| | | P.L. 815 | | P.L. 874 | |
|---|---|---|---|---|---|
| Years | Total School Budget | Aid Provided | % of Total Budget | Aid Provided | % of Total Budget |
| 1957 | $ 0 | $ 0 | 0 | $ 0 | 0 |
| 1958 | 0 | 0 | 0 | 0 | 0 |
| 1959 | 0 | 0 | 0 | 0 | 0 |
| 1960 | 0 | 0 | 0 | 0 | 0 |
| 1961 | 0 | 0 | 0 | 0 | 0 |
| 1962 | 0 | 0 | 0 | 0 | 0 |
| 1963 | 772,032 | 0 | 0 | 5,755 | .75 |
| 1964 | 808,736 | 0 | 0 | 19,827 | 2.45 |
| 1965 | 821,584 | 0 | 0 | 25,870 | 3.15 |
| 1966 | 991,885 | 0 | 0 | 48,194 | 4.86 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports.

## CASE COUNTY DIGEST
## OWYHEE, IDAHO

### I. The County

a. General Description: Owyhee is one of the larger counties in land area, 4.9 million acres, but it is small in population which has been declining recently. It is located in the southwest corner of the state, bordering Nevada on its southern boundary and Oregon on its northern boundary. The county seat is Murphy; Owyhee contains two municipalities, five school districts and 16 special districts. The conventional county form of government provides a full range of services except city street construction and maintenance, hospital care and other municipal services, which are provided by the two municipalities. The special districts engage mainly in highway construction and maintenance, fire protection and utility operation. While the special districts also have their own administrative and financial control functions, the county is the sole collector of taxes and assesses all property subject to taxation in addition to those assessments provided by the State Tax Commission.

b. Vital Statistics: Following are the vital statistics for the entire county:

| Type of Data | Year | Source | Quantity | Year | Source | Quantity | Percent Change |
|---|---|---|---|---|---|---|---|
| Population | 1960 | 1 | 6,375 | 1966 | 2 | 6,000 | -5.9 |
| Urban[1] | 1960 | 1 | 0 | 1966 | 2 | 0 | 0 |
| Rural | 1960 | 1 | 6,375 | 1966 | 2 | 6,000 | -5.9 |
| Employment | 1959 | 3 | 348 | 1966 | 3 | 378 | 8.6 |
| Effective Buying Income ($000) | 1960 | 2 | 8,040 | 1966 | 2 | 10,904 | 35.6 |
| Per Capita EBI ($) | 1960 | 2 | 1,256 | 1966 | 2 | 1,817 | 44.7 |
| Public School Enrollment (K-12) | 1960 | 1 | 1,671 | 1965 | 4 | 1,700 | 1.7 |

---

1/ Includes areas of 2,500 people or more.

Sources:
1. U. S. Bureau of the Census, Census of Population, 1960.
2. Sales Management Magazine, Survey of Buying Power, 1961 and 1967.
3. U. S. Bureau of the Census, County Business Patterns (mid-March employment covered by the Social Security Program).
4. U. S. Department of Health, Education, and Welfare, Office of Education, Education Directory, Part 2, 1967.

Owyhee's already small population declined by some 375 persons, or 6% during the years 1960-1966. The entire population is in the rural category. The county has an extremely small number of employees covered by the Social Security Act, only 378 persons in 1966, which represents an increase of 97% over the 1959 figures. Effective buying income during the 1960-1966 period increased, and the per capita EBI increased at a higher rate. Despite the decline in total population, public school enrollment (K-12) increased moderately by 2%.

c. The Land: Of Owyhee's 4.9 million acres, some 3.8 million are in Federal ownership under the Taylor Grazing Act, Section 3, administered by the Bureau of Land Management (BLM). This high proportion of Federally owned land, almost 80%, has a significant impact upon the county and its various units.

## II. County Finance

a. Revenues: Table No. C-1 contains detailed revenue data for the period 1957-1966 for the county and all units of government therein. During this period total receipts increased at the rate of 65%, or about $650,000. The largest increase in revenue occurred in the category "Other Taxes and Revenues," 83%, while total collection from property taxes increased by 51%.

Bonded indebtedness during the period 1956-1966 increased from $1.2 million to $2.1 million, with the entire net increase derived from increases in school bonds. The summary of bonded indebtedness enclosed at the end of the case study digest shows the 1966 outstanding balance for the four categories of outstanding bonds.

Table No. C-1a shows that per capita collection of state taxes increased from $58 to $117 during the 1957-1966 period. Local property taxes increased from $89 to $142 per capita during the same period. Combined state and local property taxes increased 76% per capita and 13% of EBI.

b. Expenditures: Table No. C-2 contains detailed expenditure data for the period 1957-1966. During this period expenditures rose at a rate similar to revenues providing for a fairly well balanced budget in most of the years during the 10-year period. Expenditures for education rose at about the same rate as total expenditures, while the rise in expenditures for highways was only half that rate. Expenditures per capita increased at a slightly faster rate, 74%, than the absolute increase in expenditures. It should be noted that the rise in per capita expenditures outpaced the rise in per capita effective buying income by a substantial margin.

c. Property Taxes: Table No. C-3 contains detailed data for the assessed value of property subject to tax for the period 1957-1966. Total assessed value rose during the 10-year period by approximately $5 million, or 58%, with the largest share of the increase in rural properties.

The average mill rate varied from a low of 64.9 mills in 1957 to a high of 82 mills in 1965, and a reduction to 62.2 mills in 1966. The relatively high mill rates are due in part to a low ratio of assessed value to actual market value.

Included in the assessed values and tax revenues are the figures pertaining to possessory interests on Federal land. The summary at the end of the case study digest contains the types of permits, the assessed value and the tax revenue where applicable. Local units of government do not tax the value of grazing and mineral leases (there are no improvements relating to the latter).

## III. Payments in Lieu of Taxes and Revenue Sharing

a. Applicable Programs and Direct Benefits: As stated previously, only the BLM under Sec. 3 of the Taylor Grazing Act is providing an RS program. The data for the years 1960 through 1966, as contained in Table No. C-4, shows RS payments from a low of $6,466 to a high of $10,456 in 1966. While this increase during the six-year period is substantial, approximately 60%, the absolute amount shared, especially when viewed in relation to the applicable acreage, is extremely small.

Moreover, under Idaho State laws, all receipts from revenue sharing under the Taylor Grazing Act are returned to the District Advisory Board which uses such payments for range improvement purposes only. Consequently, none of the revenue sharing can be considered as a direct contribution to county government finances.

b. Indirect Benefits: The State of Idaho is eligible for the BPR Sliding Scale Highway Aid Program and as a result thereof payments allocable to Owyhee County were made in eight of the 10 years from 1957 to 1966. Table No. C-5 contains the figures for that period. In 1966 the amount attributable to the presence of public lands in Owyhee County amounted to $82,000, or approximately eight times as much as the RS payments.

c. Value of Free Goods and Services: From time to time the county obtains a variety of materials free of charge from the BLM. Based on estimates of the supplying Federal agency of the value of the free goods provided, their annual benefits were calculated to be $11,880. The details for the annualized value of the free goods provided are shown in Table No. C-6.

d. Federal Facilities and Services Having Joint Use: The local government benefited from the free use of a road constructed in 1965 The annual value based on a useful life of 25 years and an estimated benefit to the county of 60%, amounts to $1,565.

e. Resource Expenditures - Management: The BLM within the framework of its routine land management programs expended considerable sums for various land improvements and routine management activities. The actual expenditures varied from a low of $337,000 in 1957 to a high of $1,350,000 in 1966, and amounted to an average of $834,100 per year. Administrative and operating activities accounted for 91% of the expenditures. Despite these considerable expenditures, the view prevails that the BLM grazing acreage could be made far more productive through extensive programs of seeding, pest control and other related activities. Tables No. C-7 and C-7a contain the allocation of resource expenditures.

## IV. Burdens to Local Government

a. Direct Burdens: The existence of public lands in Owyhee County is causing at least two types of direct financial burdens upon local units of government. Discussions with local government officials and review of their records indicate the following annual burdens for which no reimbursements by the Federal agency is made:

| | |
|---|---|
| Maintenance of Roads | $25,000 |
| Special Fire Protection Districts | 3,000 |
| Total | $28,000 |

It should be noted that the road maintenance costs apply specifically to approximately 100 miles of roads, all on Federal property, and include a share of the cost for the replacement of a bridge which was destroyed by BLM trucks.

b. Indirect Burden: The Federal lands' immunity to taxation by local governments represents the loss of an important revenue source. This tax loss was estimated and the results are shown in Table No. C-8. It should be noted that a very conservative land value was used and the millage rate applied is lower than that applicable throughout the county in 1966. This approach was taken so as not to overestimate the potential tax revenue from substantially dry grazing lands. Nevertheless, the estimate results in a potential tax of over $398,000 or 10¢ per acre, five times more than the net benefit from all existing revenue sharing and other aid programs, as demonstrated in the next section.

c. Loss in Revenue as a Result of Sharing Net Versus Gross: All payments on Federal land in Owyhee County are based upon gross receipts according to the cognizant Federal agencies.

d. Public Laws 815 and 874: Owyhee County qualified in some of the years for aid under PL 815 and in all of the last eight years under PL 874. Table No. C-10 contains the figures for the years during which payments under these programs were made.

## V. Impact of Present System

a. County Finances: The impact of the present system upon county and other units of local government can be measured, to some extent, by an analysis of the net financial benefits (including the RS from TG-3 which accrues to the District Advisory Board). They are composed of the following items (1966 figures):

| | |
|---|---|
| Revenue Sharing (C-4) | $ 10,456 |
| Sliding Scale Payments (C-5) | 82,000 |
| Free Goods & Services (C-6) | 11,880 |
| Joint Use Facilities (III.d.) | 1,565 |
| Total Direct Benefits | $105,901 = 3¢/acre |

From these must be deducted the financial burdens resulting from the existence of public land:

| | |
|---|---|
| Direct Burdens (IV.a.) | $ 28,000 |
| Resulting Net Benefits | $ 77,901 = 2¢/acre |

The above figures, compared with the estimated potential tax revenue (C-8) show a considerable disparity. The estimate for potential tax revenue, if the land were in private ownership, is five times greater than the revenue received under the present system.

Attempting to seek an insight into this disparity, one finds that the BLM charges for the grazing permits are substantially lower than the charges levied by the state on its lands and those levied on private lands. Additionally, of course, only 12.5% of the BLM charges are being shared with local government. It has been suggested that the BLM charge of 50¢ per AUM is only half as much as the state charges on its lands and only one quarter of the charge levied on private lands. Grazing fees, however, are beyond the scope of the study and no further analysis was made.

b. The Overview: Not all of the public land related problems are attributable to the lands mentioned herein. In addition to the problems resulting from the extensive BLM land holdings, there are approximately 150,000 acres held by the Bureau of Indian Affairs (BIA) which reportedly cause additional financial burdens (these lands have produced no revenues whatever for the county) and the improvements thereon have not been taxed because under state law, only those belonging to "responsible Indians" may be taxed.

As in other counties, local officials asserted that the county's overall economic development potential is adversely affected by the Federal land holdings. They stated that the land management programs carried out by the agency responsible are not conducive to either the broadening of the county's economic base or the attraction of a badly needed increase in population. In addition to the alleged inadequate land management program by BLM, the possible construction of a new dam on the Snake River by the Bureau of Reclamation (B of R) poses another constraint on the growth and development of the county. If the dam were to be constructed, it would be for the purposes of generating electricity and general reclamation. Both county and state officials would prefer the construction of such a dam by private power interests, thereby opening a large area of county land for farming and recreational purposes without the application of the 160 to 320 acre limitations implicit in a B of R project. Additionally, of course, both the land value and the improvements in privately owned lands would become taxable properties and thereby add significantly to the county's tax base.

## OWYHEE, IDAHO

### SUMMARY OF LEASEHOLDS & POSSESSORY INTERESTS
(Digest Ch. II. c.)

| Agency | Type of Lease | Assessed Valuation | Total Tax Revenue |
|---|---|---|---|
| BLM | Residence | $6,822 | $350 |
| | Grazing | 0 | 0 |
| | Mineral Leasing | 0 | 0 |
| | Total | 6,822 | $350 |

Source: Federal Agencies' Field Offices.

### BONDED INDEBTEDNESS, 1966
(Digest Ch. II. a.)

| Purpose | Face Value | Outstanding Balance |
|---|---|---|
| Roads | $ 532,000 | $ 218,000 |
| Water & Sewage | 403,500 | 246,385 |
| Schools | 2,169,000 | 1,621,000 |
| Other | 20,000 | 19,000 |
| Total | $3,124,500 | $2,104,385 |

Source: Owyhee County Audit Reports.

TABLE NO. C-1

LOCAL GOVERNMENT RECEIPTS BY MAJOR SOURCES FOR ALL GOVERNMENT UNITS WITHIN COUNTY

COUNTY Owyhee

STATE Idaho

| Year | Real Property (1) | Personal Property (2) | Total Property Tax Columns 1 & 2 (3) | Other Taxes and Revenues (4) | Total Receipts (Sum of Columns 3 & 4) (5) |
|---|---|---|---|---|---|
| 1957 | $ 489,899 | $ 75,974 | $ 565,873 | $ 433,195 | $ 999,068 |
| 1958 | 487,205 | 110,402 | 597,607 | 839,273 | 1,436,880 |
| 1959 | 489,156 | 124,137 | 613,293 | 645,762 | 1,259,055 |
| 1960 | 511,209 | 136,670 | 647,879 | 556,187 | 1,204,066 |
| 1961 | 559,088 | 143,619 | 702,707 | 571,847 | 1,274,554 |
| 1962 | 589,403 | 146,100 | 735,503 | 611,802 | 1,347,305 |
| 1963 | 593,523 | 165,720 | 759,243 | 677,406 | 1,436,649 |
| 1964 | 682,468 | 136,634 | 819,102 | 638,753 | 1,457,855 |
| 1965 | 682,878 | 163,693 | 846,571 | 750,158 | 1,596,729 |
| 1966 | 716,818 | 137,249 | 854,067 | 791,218 | 1,645,285 |
| % incr./decr. '66 vs. 1st yr. | 46.3 | 80.7 | 50.9 | 82.6 | 64.6 |

Source: Owyhee County Audit Reports.

TABLE NO. C-1a

## ESTIMATED STATE TAXES BY COUNTY OF ORIGIN AND LOCAL PROPERTY TAX PER CAPITA AND RELATED TO EFFECTIVE BUYING INCOME

1957 - 1966

COUNTY Owyhee

STATE Idaho

| YEAR | State Taxes ($000) Sales & Gross Receipts (1) | Individual Income (2) | Other1/ (3) | Total1/ (4) | Total State Taxes % of EBI (5) | Per Capita($) (6) | Local Property Taxes % of EBI (7) | Per Capita($) (8) | Total of State & Local Property Taxes % of EBI (9) | Per Capita($) (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | 132 | 77 | 154 | 363 | 4.94 | 57.62 | 7.70 | 89.82 | 12.64 | 147.44 |
| 1958 | 131 | 91 | 170 | 392 | 4.89 | 62.22 | 7.46 | 94.86 | 12.35 | 157.08 |
| 1959 | 145 | 111 | 177 | 433 | 5.14 | 67.66 | 7.28 | 95.83 | 12.42 | 163.49 |
| 1960 | 165 | 146 | 180 | 491 | 6.11 | 76.72 | 8.06 | 101.23 | 14.17 | 177.95 |
| 1961 | 164 | 153 | 201 | 518 | 5.79 | 80.94 | 7.86 | 109.80 | 13.65 | 190.74 |
| 1962 | 161 | 172 | 197 | 530 | 5.87 | 82.81 | 8.15 | 114.92 | 14.02 | 197.73 |
| 1963 | 174 | 171 | 209 | 554 | 5.74 | 86.56 | 7.87 | 118.63 | 13.61 | 205.19 |
| 1964 | 159 | 197 | 215 | 571 | 5.77 | 89.22 | 8.27 | 127.98 | 14.04 | 217.20 |
| 1965 | 159 | 225 | 236 | 620 | 5.90 | 95.38 | 8.06 | 130.24 | 13.96 | 225.62 |
| 1966 | 308 | 203 | 193 | 704 | 6.46 | 117.33 | 7.83 | 142.34 | 14.29 | 259.67 |

1/ Excludes Corporation Net Income Taxes.

Sources: Cols. (1), (2), (3), (4) estimates derived from the Compendium of State Government Finances, Bureau of the Census, 1957-1966.
Cols. (5), (6) derived from Col. (4) and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Cols. (7), (8) derived from Table C-1 and Effective Buying Income & Population Series in the Survey of Buying Power, Sales Management, 1958-1967.
Col. (9) = Col. (5) + Col. (7).
Col. (10) = Col. (6) + Col. (8).

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TABLE NO. C-2

## LOCAL GOVERNMENT EXPENDITURES BY MAJOR FUNCTION FOR ALL GOVERNMENT UNITS

COUNTY Owyhee

STATE Idaho

| Year | Education (1) | Highways (2) | Other Expenditures (3) | Total Expenditures (Sum Columns 1, 2 & 3) (4) | Total Expenditures Per Capita (5) |
|---|---|---|---|---|---|
| 1957 | $ 604,606 | $ 86,398 | $ 302,197 | $ 993,201 | $ 156 |
| 1958 | 1,092,704 | 71,554 | 405,105 | 1,569,363 | 249 |
| 1959 | 769,081 | 63,732 | 413,183 | 1,245,996 | 195 |
| 1960 | 765,491 | 82,490 | 364,883 | 1,212,864 | 190 |
| 1961 | 733,759 | 90,106 | 453,206 | 1,277,071 | 200 |
| 1962 | 751,955 | 102,771 | 470,901 | 1,325,627 | 207 |
| 1963 | 754,868 | 104,414 | 569,482 | 1,428,764 | 223 |
| 1964 | 748,868 | 77,926 | 539,956 | 1,366,750 | 214 |
| 1965 | 1,057,346 | 166,349 | 466,288 | 1,689,983 | 260 |
| 1966 | 1,001,072 | 113,229 | 514,529 | 1,628,830 | 272 |
| % incr./decr.'66 vs. first year | 65.6 | 31.1 | 70.3 | 64.0 | 74.3 |
| % incr./decr.'66 vs. first year per capita | 75.9 | 39.0 | 80.8 | 74.3 | |

Source: Owyhee County Audit Reports.
Col. (5): Col. (4) divided by population estimates, Sales Management.

C21-10

County Owyhee

State Idaho

## TABLE NO. C-3

## ASSESSED VALUE AND TAX RATE OF PROPERTY BY LAND CLASS

| Year | (1) Residential | (2) Commercial, Industrial | (3) Public Utility | (4) Rural | (5) Mineral, Timber Other Nat. Res. | (6) Personal | (7) Other2/ | (8) Total Assessed Value |
|---|---|---|---|---|---|---|---|---|
| 1957 Assessed Value | $ 292,597 | $ 288,998 | $ 3,142,669 | $3,378,759 | $ 18,019 | $ 1,537,807 | $ 57,617 | $ 8,716,466 |
| Aver. Tax Rate 64.9 mills | | | | | | | | |
| Item % of Total | 3.4 | 3.3 | 36.2 | 38. | 0.2 | 17.6 | 0.6 | 100.0 |
| 1958 Assessed Value | 274,675 | 339,445 | 3,159,018 | 3,402,362 | 18,329 | 1,798,426 | 59,654 | 9,051,909 |
| Aver. Tax Rate 66.0 mills | | | | | | | | |
| 1959 Assessed Value | 281,305 | 335,195 | 3,198,332 | 3,500,269 | 18,429 | 1,592,289 | 0 | 8,925,819 |
| Aver. Tax Rate 68.7 mills | | | | | | | | |
| 1960 Assessed Value | 289,827 | 321,620 | 3,289,130 | 3,517,291 | 18,429 | 1,773,070 | 0 | 9,209,367 |
| Aver. Tax Rate 70.4 mills | | | | | | | | |
| 1961 Assessed Value | 286,063 | 327,295 | 3,326,184 | 3,553,976 | 18,429 | 1,531,901 | 0 | 9,043,848 |
| Aver. Tax Rate 77.7 mills | | | | | | | | |
| 1962 Assessed Value | 299,673 | 342,180 | 3,394,823 | 3,585,076 | 18,429 | 1,873,504 | 0 | 9,513,685 |
| Aver. Tax Rate 77.3 mills | | | | | | | | |
| 1963 Assessed Value | 358,260 | 293,032 | 4,419,598 | 3,382,271 | 18,429 | 1,241,126 | 0 | 9,712,716 |
| Aver. Tax Rate 78.2 mills | | | | | | | | |
| 1964 Assessed Value | 357,726 | 295,444 | 4,567,575 | 3,402,938 | 18,434 | 1,349,369 | 0 | 9,991,486 |
| Aver. Tax Rate 82.0 mills | | | | | | | | |
| 1965 Assessed Value | 365,134 | 280,139 | 4,607,850 | 3,508,862 | 18,310 | 2,374,152 | 0 | 11,154,447 |
| Aver. Tax Rate 75.9 mills | | | | | | | | |
| 1966 Assessed Value1/ | 479,373 | 332,395 | 4,972,619 | 5,670,494 | 18,315 | 2,268,831 | 0 | 13,742,027 |
| Aver. Tax Rate 62.2 mills | | | | | | | | |
| Item % of Total | 3.5 | 2.4 | 36.2 | 41. | 0.1 | 16.5 | 0 | 100.0 |
| Increase/Decrease '66 vs. '57 | 63.8 | 15.0 | 58.2 | 67. | 1.6 | 47.5 | (100.0) | 57.7 |

1/ Assessed value represents 18 percent of actual market value in 1966.
2/ Wasteland

Source: State and/or Local Government Financial Reports, estimates and allocations by EBSMC.

PUBLIC LAND LAW REVIEW COMMISSION

## TABLE NO. C-4
## FEDERAL REVENUE SHARING AND PAYMENT IN LIEU OF TAX PROGRAMS-SECTION 10 LANDS

| ---- DESCRIPTION ----- | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
|---|---|---|---|---|---|---|---|---|---|---|
| STATE = IDAHO<br>COUNTY = OWYHEE | | | | | | | | | | |
| MIGRATORY BIRD ACT | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 |
| PROGRAM ACREAGE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 27 | 0 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 | 0.00 |
| TAYLOR GRAZE SECT 3 | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 7370 | 6466 | 6513 | 9286 | 9365 | 9572 | 10456 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 87.7 | 88.4 | 126.0 | 127.1 | 129.9 | 141.9 |
| PROGRAM ACREAGE | NA | NA | NA | 3462799 | 3461735 | 3498653 | 3496374 | 3671487 | 3667829 | 3794845 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ALL PROGRAMS | | | | | | | | | | |
| FEDERAL PAYMENTS ($) | NA | NA | NA | 7370 | 6466 | 6513 | 9286 | 9365 | 9573 | 10456 |
| PERCENT BASE YEAR | 0.0 | 0.0 | 0.0 | 100.0 | 87.7 | 88.4 | 126.0 | 127.1 | 129.9 | 141.9 |
| PROGRAM ACREAGE | NA | NA | NA | 3462799 | 3461735 | 3498653 | 3496374 | 3671487 | 3667856 | 3794845 |
| REVENUE $ PER ACRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

NA = data not available. This county does not have any Nonsection 10 land programs.

Revenues per acre in dollars have been truncated to the nearest cent; i.e., $0.048 is shown as $0.04. Revenues per acre for all programs combined are effected in years when acreage not available for component programs. Index numbers (percent of 1957 dollars) based on earliest year with reported data if 1957 data not available.

## TABLE NO. C-5

## ALLOCATION OF FEDERAL HIGHWAY AID, BPR SLIDING SCALE PROGRAM, TO COUNTY

COUNTY Owyhee

STATE Idaho

| Year | Total Federal Highway Aid to County (1) | Total Federal Highway Aid Attributable to Presence of Public Lands (2) |
|---|---|---|
| 1957 | $ 56,000 | $ 10,000 |
| 1958 | 39,000 | 8,000 |
| 1959 | 248,000 | 46,000 |
| 1960 | 147,000 | 30,000 |
| 1961 | 0 | 0 |
| 1962 | 264,000 | 56,000 |
| 1963 | 77,000 | 17,000 |
| 1964 | 0 | 0 |
| 1965 | 342,000 | 70,000 |
| 1966 | 392,000 | 82,000 |

Source: U.S. Bureau of Public Roads, allocation by EBSMC.

## TABLE NO. C-6

## SUMMARY - VALUE OF FREE GOODS & SERVICES PROVIDED FROM FEDERAL LANDS TO LOCAL GOVERNMENT

COUNTY: Owyhee

STATE: Idaho

| Supplying Agency | Type of Goods & Services | Annual Value |
|---|---|---|
| BLM | Construction Material | $ 7,975 |
| | Land | 3,905 |
| | Total | $11,880 |

Source: Federal Agencies' Field Offices, ERSMC Estimates.

County Owyhee

State Idaho

## TABLE NO. C-7

## SUMMARY OF FEDERAL RESOURCE PROGRAM EXPENDITURES ALL AGENCIES

| Year | Administrative and Operating Expenses | Capital Expenditures | Total Expenditures |
|---|---|---|---|
| 1957 | $ 285,300 | $ 51,700 | $ 337,000 |
| 1958 | 296,500 | 60,500 | 357,000 |
| 1959 | 525,700 | 55,300 | 581,000 |
| 1960 | 408,800 | 43,200 | 452,000 |
| 1961 | 805,500 | 52,500 | 858,000 |
| 1962 | 712,500 | 43,500 | 756,000 |
| 1963 | 1,003,700 | 72,300 | 1,076,000 |
| 1964 | 1,183,400 | 138,600 | 1,322,000 |
| 1965 | 1,138,200 | 113,800 | 1,252,000 |
| 1966 | 1,232,200 | 117,800 | 1,350,000 |
| Average Year | 759,180 | 74,920 | 834,100 |
| Item % of Total, Average Year | 91.0 | 9.0 | 100 |

Note: Figures reflect appropriated funds and not necessarily actual expenditures.

Source: Federal Agencies' Field Offices.

Federal Agency Interior - BLM

Program All

County Owyhee

State Idaho

TABLE NO. C-7a

Page 1 of 1

## FEDERAL RESOURCE PROGRAM EXPENDITURE

| Year | Fire Protection | Range Improvement | Watershed Development | Roads | Timber Re-forestation | Protection from Insects and Disease | Development & Maintenance of Recreation | Development & Maintenance of Wildlife | Other | Total Resource Expenditure |
|---|---|---|---|---|---|---|---|---|---|---|
| 1957 | $ 2,012 | $ 104,157 | $ 31,333 | $ 0 | $ 2,012 | $ NA | $ 0 | $ 0 | $ 197,486 | $ 337,000 |
| 1958 | 21,094 | 93,880 | 44,266 | 1,782 | 12,477 | NA | 0 | 0 | 183,501 | 357,000 |
| 1959 | 53,464 | 196,387 | 78,995 | 2,929 | 6,382 | NA | 0 | 0 | 242,843 | 581,000 |
| 1960 | 53,338 | 219,677 | 78,631 | 6,323 | 6,323 | NA | 0 | 0 | 87,708 | 452,000 |
| 1961 | 83,234 | 348,333 | 137,280 | 9,460 | 10,266 | NA | 0 | 0 | 269,427 | 858,000 |
| 1962 | 99,034 | 312,263 | 114,900 | 15,863 | 73,313 | NA | 0 | 0 | 140,627 | 756,000 |
| 1963 | 379,806 | 264,710 | 111,885 | 12,944 | 134,463 | NA | 0 | 0 | 172,192 | 1,076,000 |
| 1964 | 243,245 | 358,201 | 74,070 | 11,851 | 91,255 | NA | 0 | 0 | 543,378 | 1,322,000 |
| 1965 | 280,456 | 374,322 | 82,621 | 48,890 | 179,063 | NA | 82,621 | 0 | 204,027 | 1,252,000 |
| 1966 | 275,369 | 415,817 | 79,600 | 33,805 | 186,344 | NA | 102,647 | 3,997 | 252,421 | 1,350,000 |

Source: Federal Agencies' Field Offices.

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## TABLE NO. C-8

## ESTIMATED POTENTIAL TAX REVENUES FROM APPLICABLE FEDERAL LANDS

COUNTY Owhyee

STATE Idaho

| Type of Land by Assessment Class (1) | Estimated Assessed Value Per Acre 1/ (2) | Applicable Acreage (3) | Estimated Total Assessed Value (Col. 2 × 3) (4) | Tax Rate Mills 2/ (5) | Estimated Total Tax (Col. 4 × 5) (6) | Estimated Tax Per Acre (Col. 2 × 5) (7) |
|---|---|---|---|---|---|---|
| BLM | | | | | | |
| Dry grazing | $ 2.10 | 3,794,845 | $ 7,969,175 | 50 | $ 398,459 | 10¢ |
| Totals | $ 2.10 | 3,794,845 | $ 7,969,175 | 50 | $ 398,459 | 10¢ |

1/ Composite produced from estimates for each land class or type.
2/ Current applicable rate for county excluding municipal levies.

Source: Col. (1) Federal Agencies' Field Offices; Cols. (2) and (5) State and Local Officials, EBSMC Estimates.

C20-17

County Owyhee

State Idaho

TABLE NO. C-10

FEDERAL AID PROVIDED FOR CONSTRUCTION, MAINTENANCE AND OPERATION OF SCHOOLS IN FEDERALLY IMPACIED AREAS

| Years | Total School Budget | P.L. 815<br>Aid Provided | P.L. 815<br>% of Total Budget | P.L. 874<br>Aid Provided | P.L. 874<br>% of Total Budget |
|---|---|---|---|---|---|
| 1957 | $ 0 | $ 0 | 0 | $ 0 | 0 |
| 1958 | 0 | 0 | 0 | 0 | 0 |
| 1959 | 769,081 | 27,000 | 3.5 | 14,063 | 1.8 |
| 1960 | 765,491 | 2,977 | 0.4 | 23,421 | 3.1 |
| 1961 | 733,759 | 0 | 0 | 23,748 | 3.2 |
| 1962 | 751,955 | 0 | 0 | 40,202 | 5.3 |
| 1963 | 754,868 | 0 | 0 | 35,025 | 4.6 |
| 1964 | 748,868 | 0 | 0 | 27,057 | 3.6 |
| 1965 | 1,057,346 | 0 | 0 | 31,934 | 3.0 |
| 1966 | 1,001,072 | 0 | 0 | 34,180 | 3.4 |

Sources: Office of Education, U.S. Department of Health, Education & Welfare, and County Audit Reports.